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THE
ROUND TABLE
A Quarterly Review of
BRITISH
COMMONWEALTH
AFFAIRS

Contents of Number 151

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BRITISH COMMONWEALTH AND WESTERN UNION
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THE SPANISH FOR 'MONROE DOCTRINE'

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THE ROUND TABLE

A QUARTERLY REVIEW OF
BRITISH COMMONWEALTH AFFAIRS

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THE DEFENCE OF EUROPE

ADVANCING COMMUNISM AND THE RESISTANCE

ON many pages of this issue of THE ROUND TABLE will be found references to the progress of Communism as a threat, an anxiety, or a source of mild uneasiness to statesmen of the British Empire and the world. Victoria and Queensland have found it necessary to legislate for the restraint of Communist activity in industry. New Zealand Ministers charge the Communists with responsibility for industrial unrest. A Bill to outlaw the Communist party introduced by a private member has had considerable support in Parliament at Ottawa. A sect in Pakistan proposes to convert the country into a "Socialist Soviet Republic". The Pan-American Congress finds its meetings disturbed by armed rebellion in Bogotá; and the immediate diagnosis in the State Department detects the presence of the universal virus. Even in the more placid politics of the United Kingdom the Government has thought it wise to remove Communist civil servants from confidential posts, and the Labour party has been moved to threaten a number of its members with excommunication for a display of Communist sympathies, and in one case to carry out the threat.

The same thread links together many other events of world importance in the last few months. Rioting and bloodshed on the Gold Coast are reported to Parliament to be of Communist origin. Greece has lately immolated hecatombs of Communists, convicted of atrocious crimes years ago, on the morrow, but not professedly in consequence, of the murder of a Minister obnoxious to their party. Against the background of a world everywhere preoccupied with Communism, suspicious of its proximity even where its actual presence is disputable, three recent episodes have sharpened the sense of an imminent and universal crisis, which is to be determined by the result of the contest between Communism and Liberalism for domination of the European mind. The first is the embarking by the Russian command in Germany on a course of conduct which, following upon their country's boycott of the Marshall plan, manifestly aims at making the position of the three Western allies in Berlin untenable. The second is the bringing of Czechoslovakia under a Communist régime, accompanied by the customary exclusion of all opponents of Communism from public life. The third is the conversion of the Italian general election into a trial of strength between Communism and its rivals, in which the victory of the Social Democratic party has administered the first real check to the recent advance of the Eastern creed across the Continent.

Now it is certainly too facile a reading that would trace Communist ideas or Soviet machination behind each and every manifestation of unrest in a world impoverished and tormented by the ravages of war. Latin America was acquainted with the notion that a change of government may be accomplished by force for some time before the emergence of Lenin and Trotsky.

Among the mobs who looted the liquor shops of Accra and then ran amok it is improbable that there were many close students of the text of *Das Kapital*. Until concrete evidence is tendered—and an enquiry into this latter tumult is proceeding—there is no need to assume that any particular outbreak has been fomented by Russian intrigue or financed by “Russian gold”. Nevertheless, the habitual easy attribution of all such social and political phenomena to Russian influence proceeds from something real and ominous in the mind of the age: something that has two complementary aspects. First there is a prevailing sense, as strong among responsible statesmen as in all other strata of public opinion in the liberal countries, that one of the three Great Powers has an interest, even a conscious interest, in the failure of government anywhere in the world outside its own dominions. Secondly, there is in the same countries a popular belief that the direct antithesis of the systems by which they are ruled is that of the Soviet Union; and therefore, whenever the conditions of life become intolerable, as in the midst of the ruin left by war they easily do, an instinctive tendency to turn towards the Soviet polity as the obvious and desirable alternative.

The Frustrated ‘Fourth Freedom’

WHILE these feelings and beliefs prevail it is inevitable that every manifestation of discontent anywhere in the world, however easily explained as a natural reaction to irksome conditions, should become related in thought to the profound schism between the Eastern and Western Powers, and should heighten the tension in Europe, the continent across which the line of cleavage runs. The sense common in all the nations outside the “iron curtain” that the peace of the world has been rendered precarious by this tension certainly need not involve the assumption that “Russia means war”. It does involve the consciousness that Russian policy constantly encourages the view of the Soviet as the universal outside supporter of all forces making for the disruption of the traditional civilization of western Europe, and it causes the believers in that civilization to order their personal and corporate conduct with an eye continually to the prospect that they may ultimately have to defend their standards by force. If victory over Germany has conspicuously failed to give the world freedom from fear, the immediate fear that is malignantly moulding events is fear of internal revolution in many countries. Only in a secondary degree comes in the fear that war may eventually be found the only way of arresting the progress of disruption.

The belief that there is no final issue except war to the conflict of policies between the Soviet and the West has nevertheless come to be very widely held. Until very recently it was certainly the prevailing opinion in the United States. It is reassuring to be told by the author of the customary American commentary in this issue of THE ROUND TABLE that informed opinion among his countrymen has lately taken a more hopeful turn. On the other hand, residents in central Europe report that the non-Communists around them speak as if war was not only inevitable but inevitable in this present year; that speculation turns upon whether it can be delayed to so late a date as October. From the relative detachment that the English

Channel even now makes possible, this may seem a preposterously pessimistic attitude. But it has to be taken into account in every assessment of the European outlook; for men whose minds are subject to this dread are the actors in the crucial drama of the age.

The seizure of power by the Communists in Czechoslovakia shows how this dread paralyses the action of the defenders of the liberal tradition. It seems probable that all the plans for the revolution were in train as much as two years ago, and that the *coup* could have been completed at any time within that period. What is surprising and ominous is that the Government, headed by men of such high ideals and faith in free institutions as President Beneš and the late Jan Masaryk, who were well aware that their position was being assiduously sapped beneath their feet, took so little positive action to cope with the menace. Masaryk's personal courage is beyond dispute; he was ultimately to make the last possible protest by the sacrifice of his life. But of other men who would stand out as leaders in thought and action against the alien creed the absence was conspicuous and lamentable; and it is impossible to doubt that fundamentally Czechoslovakia fell through a failure of confidence that the totalitarian revolution could be held at bay, and through the unreadiness of the men who might have been leaders to face the risk of that proscription with which, reviving the ruthless vindictiveness of Marius and Sulla in the decadence of Republican Rome, all the totalitarian systems habitually punish the defeated.

The repulse of Communism in the Italian general election testifies to a more resolute leadership at the critical phase. Partly, no doubt, the advance made since the Czechoslovak revolution towards what was to become the Brussels Pact of Great Britain, France and the Benelux Union had given some increased assurance to those who would stand fast for the Western tradition. Signor de Gasperi gave a clear lead; and the courage of Signor Saragat's Socialists in making public repudiation of their party's alliance with the Communists was a highly influential factor. But the nature of the fear that might have been the undoing of Italy was clearly though crudely indicated in a poster that appeared near some polling-stations: "Stalin cannot see how you vote, but God can." In fact the determining contribution was probably made by the uncompromising intervention of the Church; its spokesmen, who were not afraid to make themselves a target for reprisal in case of a Communist victory, or who knew themselves to be marked men in any event, communicated their resolution to others. No one who is conscious that what is at stake is the survival of traditional Christendom under the assault of a materialist creed can on this occasion condemn the irruption of the Church into politics. The result has given a stimulus to all the forces of anti-Communism in Europe, although in Italy itself it must be acknowledged that it leaves the rival partisans more nakedly opposed than ever, with the prospect of a renewal of the combat.

The next round in the contest for the soul of Europe has to be fought out in Germany; indeed it is already in progress, and is recognized on both sides to contain the long-drawn-out crisis of the whole struggle. In any conception of Europe as an international society, whether Communist or

Liberal, that can stand on its own feet in the world, an ultimately unified Germany must be the foundation of equilibrium. Hence the Soviet and the Western Powers are in unavoidable rivalry concerning the terms on which the unification is to be achieved. This is the motive behind the Russian attempt to exclude the Western allies from Berlin. It has to be resisted at all costs, because a withdrawal from the capital would, in the eyes of Germans in the East, indeed of all Germans, be tantamount to acquiescence in the final division of their country. But if Germany is to be eventually unified on Western lines, then it is more than time that bold steps were taken towards reconstituting self-government in the three western zones. The guarantees that must be found for the reassurance of France constitutes the main external problem. It will not be solved unless the security of France against the revival of German aggression can be identified with the security of all the West against a militant communism advancing across Germany. It is notorious that the persistent internal difficulty in the way of reviving a self-governing western Germany is the failure of Germans of the right character to emerge as leaders capable of bearing the responsibility of either political or economic power. It is manifest that the same psychology of fear that has been observed elsewhere in Europe underlies all.* Men who have the best of reasons for knowing the horrors of totalitarian rule are still uncertain whether the ultimate united Germany may not be engulfed by totalitarianism in its Eastern form, in which all who have seconded British, French and American efforts for rehabilitation may become the victims of the revenge taken upon "collaborators".

The Guarantors

THE whole complex of movements now on foot for bringing together the nations of western Europe and America must be regarded as means to the allaying of this fear. As one country after another falls into the grip or under the shadow of Communist domination, it is whispered everywhere among the survivors that, while the Soviet acts, the Western Powers only talk. It has become necessary to reassure the waverers by displaying openly the extent of the resources available to support them against encroachment of the East, and by plain declarations that even the threat of war will not cause that support to be withdrawn.

It is not to be disputed that the potential strength of the remaining free nations of Europe, combined with that of the United States and the British

* Herr Arthur Lehmann, chairman of the Socialist Unity Party in central Berlin, in the Russian sector, who is a member of the committee organizing the petition [of the Communist "People's Congress"], has stated that lists of those signing the petition will be preserved, and has added the threat: "Perhaps a time will come when individuals, in order to prove that they were really on the side of the people, will have to show the card given to signatories of the petition." *The Times* Correspondent in Berlin, May 20.

Mr. Papanek said that quite a few distinguished Czechs with first-hand knowledge had escaped and could testify to the Council that the Communist *coup* was brought about by a threat that the military forces of the Soviet Union would be used and by threats to liquidate some hundreds of non-Communist friends of President Beneš.—*The Times* Correspondent at Lake Success, May 21.

Empire, is superior in both man-power and material to that of the Soviet Union and its satellites. The nature of the superiority may be epitomized in the possession of the atomic bomb, not in the sense that there is any secret that can be reserved for even a few years, if at all, but because the West has established an immense lead in the practical capacity to manufacture this weapon, a lead that is growing greater rather than less. A like advantage extends over the whole range of the industrial element in fighting strength. If the international situation grows more tense it may become desirable to issue some reminder that the building up through industrialization of the strength of countries in the Russian zone of influence in eastern Europe still depends largely on imports from the West, which could in case of need be withheld.

But while the total resources of the West are ample for the defence of its heritage, it falls far short of the East in power to direct them to a single end. The anxieties of the exposed countries will continue until there is clear assurance that the latent force of themselves and their friends can be mobilized for action; and that can only be done by its intimate combination. It is for this reason that the importance of a common plan among the recipients of Marshall aid is far more than economic, and that the United States has doubled the value of its generosity by imposing the condition of a joint international stewardship. The Organization for European Economic Co-operation, set up by the sixteen-Power conference in Paris, is the first foundation for the revival of European strength as well as prosperity.

But no economic integration, even with the potent support of the United States, can alone restore the shaken confidence of Europe in its ability to withstand the disruptive forces that assail it. What is required, in the lamentable state of mutual suspicion into which the world has fallen, is a visible reserve of force in being, ready if necessary for war; and it is this that has begun to be supplied as a result of the Treaty of Brussels between Great Britain, France, the Netherlands, Belgium and Luxembourg. The regrettable fact has to be faced that the most immediately significant of the organs set up by this treaty is the Permanent Military Committee. It is still a matter of acute controversy whether the nations of the West, by the method of free consent which alone they can contemplate, can ever achieve a common political system. It is certain that they can achieve a joint military organization, because they have actually done it under stress of war. The parlous state of the world to-day requires that they hasten to reconstitute something like the fighting apparatus with which the occupied countries of the West were liberated. There should be again, even in time of peace, joint staffs, interchangeable weapons and equipment, perhaps even a supreme commander of the combined forces. It is possible for the Brussels Powers to work towards these things and to draw into the common plan other European nations that share the common danger. If they do, they are certain of the active sympathy of the United States, and perhaps of considerably more. With Congress voting for compulsory service in time of peace, and the many signs that public opinion is with those presidential candidates who are most whole-hearted in their willingness to guarantee the security of Europe, there

seem few international responsibilities from which the United States would now shrink. It is equally urgent that the full power of the British Empire be made visibly available for the same cause. News as welcome as unexpected was given by the Prime Minister in the May debate on foreign affairs, when he announced that a full Commonwealth Conference would shortly be called. When it meets, it can have no more urgent business than to consider how each and every member of the Commonwealth can best contribute to buttressing the threatened European foundations of the system of life to which all are dedicated.

If all the movements towards common defensive action now in train come to their expected fruition, there should be an end to the demoralizing fear that champions of free ideas in Europe may be left in the lurch in the hour of need, and a bolder face may be shown by them all. That, however, is not enough. To meet the threat of aggressive force with the display of sufficient defensive force may stave off the immediate threat of attack; but by itself it may only be the beginning of a race of armaments and lead to war in the end. If the atomic bomb is the master weapon of the West, the master weapon of the East is the fanaticism of the Communist faith (with its corollary of "fifth columns" in the Western countries themselves); and against that atomic power does not avail. Fanaticism has to be met on its own ground, with an unfanatical but not less fervent faith in the positive values of the old humane and tolerant civilization. The struggle *à outrance* between the two creeds cannot be evaded; the choice is only between fighting it out on the battlefield or in the realm of the mind. The great hope implicit in the United Europe Congress at The Hague is in the signs it has evoked of real popular support for a movement ardent enough to insist on seeking the issue on the higher ground, where alone a final decision can be reached. Whether the political means by which Mr. Churchill seeks to rally the forces of Europe are practicable is a question on which profoundly divergent views are entertained. But there can be no quarrel with the terms on which, rising once more with the great argument to the heights of eloquence that made him the leader of Europe in its darkest hour, he defined the ideals for which it is necessary to contend:

"The movement for European unity . . . must be a positive force, deriving its strength from our common sense of spiritual values. It is a dynamic expression of democratic faith based upon moral conceptions and inspired by a sense of mission. In the centre of our movement stands a charter of human rights, guarded by freedom and sustained by law. . . . After all, Europe has only to arise and stand in her own majesty, faithfulness, and virtue, to confront all forms of tyranny, ancient or modern, Nazi or Communist, with forces which are unconquerable; and which, if asserted in good time, might never be challenged again."

BRITISH COMMONWEALTH AND WESTERN UNION

(This article continues the series on the constitution of the Commonwealth, for the opinions expressed in which THE ROUND TABLE is not editorially responsible.)

IN the last number of THE ROUND TABLE the writer of the article "Untempered Mortar" made an eloquent plea that, in face of the great dangers facing freedom everywhere, "the British and American Commonwealth, and those of Western Europe *should now pool their resources in peace*". In that event, he predicted, "no aggressor would dream of attacking them. There would be no third war." As regards the British Commonwealth "the only effective remedy", he said, "is to separate foreign and domestic affairs by applying the federal principle", in other words, to create a single Federal Government over the whole Commonwealth. "Peace", he added later, "can now be secured only by an international union, which includes the democracies of Western Europe, Switzerland, France, Belgium, Luxembourg, Holland, Denmark, Norway, Sweden and Iceland. If these democracies *pooled their resources* for their common defence with those of the British democracies, it would not be long till the people of America added *their own to the pool*." This movement "must begin with the British and European democracies, as Winston Churchill has realized".

While the words quoted above are not wholly precise, their author advocates in the first place the organic union of the British Commonwealth with a Federal Government and Parliament responsible for all foreign affairs and defence; secondly, an "international union" (presumably another federal union, though this is not stated in so many words) to include the above-mentioned European countries. The relation of the United Kingdom and Germany to that union is not referred to. If the United Kingdom were a member (as a State or a Province) of the British Commonwealth Federation, it could, however, obviously have no direct relations with the European Union except through the Federation to which it belonged. The writer in fact says so much in proposing that the British Commonwealth, when federated, should "pool its resources" with those of the "European Union". Nothing is specifically said of the connotation in terms of constitutional forms of the words "pooling of resources".

There can be no one who will disagree with the author of "Untempered Mortar" as to the overriding necessity that faces the free nations, particularly in the next few years, of standing shoulder to shoulder against those who insist on challenging them and everything they believe in, and of taking without delay all measures, as "Untempered Mortar" so rightly urges, not simply to win a war—if war there must be—but, much more important, to preserve peace. And that end cannot be achieved unless they are both strong and determined to stand together to protect one another. There is nothing therefore in the aims of "Untempered Mortar" that the writer of the following

pages does not fully support. His object in this article is indeed modest. It is to attempt to bring a certain amount of precision into the discussion, to warn against projects which are bound in his view to lead to disillusion and serious danger, and to consider how far and in what way the "pooling of resources" of the free nations can be brought about in a practical and yet effective manner.

It is best to begin by a brief consideration of the efforts which are now being made towards some form of international organization through the agency of the United Nations. The author of "Untempered Mortar" asserts with complete justice that the United Nations can, no more than the League of Nations, be trusted to prevent war. But it is not merely that, as he says, Confederations and Leagues cannot prevent war. It is because nothing can prevent war, whether Leagues, Confederations, Federations, or unions of any kind, if the nations which "unite" are not merely not united nations, but are on the contrary profoundly antagonistic to one another. When deep antagonism arose between the Northern and Southern States over slavery, not even the American Federation could prevent a great war. Even if Soviet Russia were to become nominally a partner in a great Federation with the free nations, the danger of war would remain just as great as now, as long as she thinks and feels as she does now.

On the other hand, if there is unity of mind, spirit and sentiment, unity in action can be achieved without federation or even confederation. The nations of the British Commonwealth, bound together except for a common Crown by nothing but history, sentiment and tradition, have in two great wars given to the world an unparalleled example of unity. Each and all of them, alone among all nations of the world, have together fought the two greatest wars for freedom in history from the first to the last day. A Federal Constitution, if it had been possible, might have added to their strength, though it is doubtful whether it would have prevented war. It could not have enabled them to surpass this record of the spirit.

Those who wish to understand the United Nations cannot do better than to bring to their minds the character of the league of British Nations. Just as the British Commonwealth possessed its Imperial Conference, so the nations of the world possess their Conference in the "United Nations". The United Nations is indeed nothing but a Conference writ large; it is not a Government. It is a Conference with a written Charter. To grasp the significance of this is the beginning of wisdom. Contemplate the British Imperial Conference deciding matters of moment to the British Commonwealth by a majority vote. Assume some matter of importance to Canada was being discussed and was decided against the opinion of the Canadian Government. Assume the majority had then proceeded to enforce their decision by using against Canada an "international (or Commonwealth) police force". The British Commonwealth would have ceased to exist that day. A conference of nations must necessarily function by agreeing to agree; it cannot function otherwise. If agreement is not reached, it can no more function than can meetings of the Foreign Ministers in like case. It is futile to suppose that the United Nations can use a "police force" of its own to

enforce its *majority* decisions. Obviously no such police force could tackle the Russian armed forces, or the American, or those of any great or even medium-sized Power. Even if the task, however formidable, appears to be a comparatively minor one like the making of peace in Palestine, the United Nations will face the greatest dangers by attempting to apply force, first, because it is not unanimous but divided, and secondly, because force is to be used not in self-defence but in a quarrel as to the merits of which few of the nations concerned are clear and in which few feel any real interest. A league of nations united in self-defence and in the protection of all it holds dear may, as the war through which we have just passed showed, function with great efficiency. But a United Nations comprising almost all the nations on earth cannot, if it is fundamentally divided, hope to use force successfully.

The Illusion of Collective Security

BELIEF in the League of Nations and the "collective security" to be obtained from it weakened the determination of the nations of the British Commonwealth, and other nations too, to prepare to meet the dangers which threatened them before 1939. A similar belief that the United Nations can do more than it can do, while the world is divided as it is, has equally tended to weaken the cohesion of the British Commonwealth, has led, it appears, to the abandonment of the Imperial Conference, and has certainly not influenced the Commonwealth nations towards demonstrating their unity at the United Nations meetings at Lake Success. These things being so, "Untempered Mortar" is wholly correct in urging the nations of the Commonwealth jointly to prepare for the ordeals which may soon face them. But is it the course of wisdom to urge on them that for this purpose they must form themselves into a Federation? We leave out of consideration the Dominions of India and Pakistan and confine ourselves to the United Kingdom, Canada, Australia, New Zealand and South Africa. That these States should unite organically was the project which the Round Table groups set out nearly forty years ago to foster. They have not been successful. Time unfortunately has only made such a project more difficult. Let us briefly consider the obstacles.

It is suggested that the new Commonwealth Federal Government should confine itself merely to foreign affairs and defence, leaving every other power and function in the hands of each local Government. But in the modern world what does "defence" imply? In a total war almost everything: vast armaments, a huge Federal budget, together with huge Federal taxation, conscription, rationing, controls, every kind of interference with the individual. One must assume therefore that the Federal Government must be clothed with the most extensive powers. Is it practicable that the white peoples of Canada, Australia, New Zealand and South Africa, numbering about 20 millions in all, should give such powers to a Federal Government sitting presumably in London, in which, presumably also, the 48 million people of the British Isles would have a preponderant voice? All this is far easier to secure where the States federating are geographically contiguous. Even if San Francisco is 3,000 miles from Washington, it is at least in the

same latitude and not separated as Australia and New Zealand are from the United Kingdom by the length of the world.

If the Government of the Federation were not in London, where would it be? Could it be peripatetic? Such questions might be extended. But the decisive fact is that no Dominion would feel itself able to enter such a federation, or regard it as a sufficient bulwark for its defence. Canada, by the nature of things, must look mainly to the United States for protection. It is the American Navy that alone can protect Australia and New Zealand in the Far Pacific, where the United Kingdom can place few ships, if any. While the support of the United Kingdom will still be of immense importance to the Dominions, it is available anyhow. Has the United Kingdom further advantages to offer to the Dominions in return for the sacrifices which in their opinion would be involved? It would seem not. Moreover, any such project would meet with determined resistance from the Dutch in South Africa, representing more than half the white population, and from the French in Canada representing a growing third, and before long perhaps, but for plentiful immigration, a majority.

The English-speaking Fraternity

HOWEVER much we may desire it, those who know the Dominions well must admit that there is no chance of their agreeing to join with the United Kingdom and each other in creating a single unitary Government with large federal powers. But this is not to say—indeed the contrary is the case—that a strong and close connexion cannot continue, as in the past, and cannot and should not be strengthened, between the free nations of the British Commonwealth, and that they together cannot and should not enter into a strong and close alliance with the United States. Everything indeed points in that direction. All these nations fought the last war together. The United States delayed its entry long, but there is every reason in the changed circumstances to think she would not do so again. Not only did they fight the war together but they fought it in the closest harmony. The Combined Chiefs of Staffs worked out their plans together and executed them together. In every other activity the same was true. Much is being done now and no doubt much more might be done to draw these nations closer, particularly in all that concerns mutual defence, and much else might follow therefrom.

But since it is certain that the United States would not agree to forming a larger Combined Federal Government with supremacy over its own Federal Government, and since presumably the Commonwealth nations would not in their turn wish to be so many States of the American Federation, we must be content with all that can be achieved by a close alliance of the United States and the British Commonwealth. Surely that is a great deal. Difficulties in harmonizing foreign policy would remain. They must be overcome, as best may be, by a closer integration of plans than now. Perhaps all this almost amounts to what the writer of "Untempered Mortar" terms "the pooling of resources". Resources would not be pooled to the extent that, or at any rate in the same way as, the resources of Federated States are pooled.

But they would be pooled at least to the extent that they were in the last war, and all war plans would be based on that assumption.

Such an alliance of all English-speaking nations would appear to most Englishmen to be the most solid basis for the defence of their country and the strongest assurance for the maintenance of their way of life and their agelong freedom. They would be allied not only with the Commonwealth nations, with whom their history has been inextricably intertwined, but also with the strongest nation on earth, whose way of life and love of freedom are most akin to their own, and which is also the natural partner and supporter of all the English-speaking Dominions. From this solid base the United Kingdom could then proceed with its allies to frame her policy in relation to the rest of the world, and particularly Europe.

The Project of Western Union

BUT some may ask: for the United Kingdom to remain the centre of an Oceanic Commonwealth and in alliance with the United States—is that consonant in these days with the fact that, whether we like it or not, the United Kingdom, 20 miles from the French shore, is a part of Europe, is involved in the fate of Europe, is vitally concerned with the defence of western Europe, is spiritually European as well as Anglo-Saxon, and is bound to defend with all her might, in Mr. Churchill's words, the ancient Christendom, now, it would seem, at the crisis of its fate? Whatever our relations with the rest of the world, we must now inexorably re-define our relations with western Europe, and those relations must be very close. What is to be their nature? In other words, what is the meaning for us of "United Europe", of "Western Union"? No one has yet attempted to define it. Some effort at clarity would thus seem to be needed. It is desirable to clear the ground in one or two directions, if we wish to bring to light the alternatives before us.

In the first place what is western Europe? Of what nations is Western Union to be composed? The author of "Untempered Mortar" builds it out of certain western democratic States, whose population, apart from the United Kingdom, numbers in total about 76 millions, of which France is 40 millions, the Benelux countries about 18 millions, the three Scandinavian countries about 14 millions and Switzerland 4½ millions. What view of such a project would be held by Switzerland or the Scandinavian countries, or indeed by the Benelux countries, is unknown. What is certain, however, is that circumstances would compel the countries joining to bring in western Germany in the form of the British, American, and French zones, and it would hardly be possible or desirable to leave Italy out. Germany indeed will prove the crux of the whole problem. These therefore seem to be the countries of which Western Union must be composed. They represent a population of something over 200 millions, including the United Kingdom. At present, however, the Brussels Treaty comprises only the United Kingdom, France, Belgium, Holland and Luxembourg, i.e. about 100 million people.

The second important point is to be clear whether we are discussing the political organization of Western Union, either in its form in the Brussels

Treaty or in a wider aspect, or whether, leaving out of account the economic aspect, we limit ourselves to questions of mutual defence. We will begin with the political aspect, since that is where Western Union presents the most formidable difficulties, and we shall examine it from the point of view of the United Kingdom particularly. It is obvious in the first place that, if the British Commonwealth were to adopt a Federal Constitution, then the United Kingdom would be merely a state in that Federation. The United Kingdom Government would have and could have no foreign policy of its own. Its policy would be the policy of the Commonwealth Federation. It would only be through that Federal Government therefore that the United Kingdom would have any relations with European countries or with a "Western Union". We have argued, however, already that such a Federation is impracticable and that the United Kingdom Government will remain a sovereign Government—except in so far as its relations with the rest of the Commonwealth do in fact, though not in theory, involve some pooling of sovereignty—and be able, subject to its obligations towards other Commonwealth Governments and the United States Government, to determine its own relations with western Europe.

It is equally obvious in the second place that, if there were in question a real democratic Federation of western European nations, of the same general character, say, as the American or Canadian Federations, the United Kingdom could not join it as a constituent State or Province without cutting all her ties with the self-governing Dominions. For the United Kingdom as a sovereign State would have disappeared. She would no longer exist except as a local State or Province in a larger Union. Since the British are often inclined to think they can both eat their cake and have it, and to assume that they will "anyhow run the show", it is necessary to insist that the United Kingdom would disappear as an independent State, and that British voters would merely number some 48 millions among a total of some 200 millions or more. It would be necessary to pension the British monarchy; or perhaps the King could become the local Governor or President of the United Kingdom: the British Parliament would be reduced to a local Assembly; and British standards must conform to those of the rest of Europe. If, for instance, Lancashire textile workers could not compete with Italians and Germans, they must find work by migrating to Chemnitz or Milan.

It is not easy to "merge" in a Federation nations with histories stretching back a thousand years, and in the case of each other country difficulties of an equally fundamental character would arise. Consider what the creation of a democratic Federation of Europe would involve. It would involve the welding together at once into a single unity of great nations which, till three years ago, have been engaged in the deadliest struggle with one another, and some of which retain a bitter hostility to, and deadly fear of, one another; nations which are torn internally by profound political divisions between Communists, Nazis, Fascists as well as between ordinary Right and Left; nations some of whom have never shown a capacity or desire for free democratic government; nations almost all speaking different languages and all very different from one another in character, history and sentiment.

Even if one could conceive that such a Federation were now formed, what enormous internal strains it would be subjected to. It should be remembered, moreover, that such a Federation would require the establishment of free trade within its boundaries and the abolition of all trade barriers. This would involve a period, perhaps a lengthy period, of chaotic industrial conditions which would be likely to provoke profound hostility. There would also necessarily be free movement of population throughout the whole of Western Union, so that, if the standard of life and industrial costs were relatively too high in one nation, its standard must be reduced or its population must emigrate to other European countries. National navies, armies and air forces would disappear and new Federal ones must be created, the men in which would be speaking a dozen languages.

No such task has ever been attempted before in human history. Dictators and tyrants have welded together such a congeries of nations and races, but no free democratic Government of such a character has ever been witnessed. It is tradition, history, language, symbols and common ideas that weld nations together. Where they are absent, force alone must take their place. Could distracted Europe—its largest and potentially most powerful nation divided in two by the contending forces of East and West—find either negatively through fear of Soviet Russia or positively through love of European civilization and culture that tempered mortar which would be necessary to hold together so unique a structure, if we attempted to build it now? What can be done over years to create the materials out of which such a mortar can be made no man can put bounds to. But to assume it can be made at this very moment is dangerous in the extreme.

The Brussels Treaty

THE writer is convinced therefore that the true way of approach to the most urgent problem of the security of western Europe is not the political, if by that one means an attempt at once either to federate or confederate Europe. Any attempt to impose political unity at this moment would not unite but profoundly disunite the European nations concerned, at a moment when their thoughts must be concentrated on the best means of co-operating to defend the eastern frontier of western Europe and of recovering their economic strength, which at present is so low that on their own resources they cannot both fight and live. It is in the direction of mutual defence and mutual economic help that the western European nations and governments must first learn to co-operate and to unite their forces. There is the most compelling pressure of all, namely, the need to save their lives and freedom, to incite them to this effort, and the last war has taught us that, given the will, the military co-operation of many national forces can be made extremely effective. From this form of co-operation, whether military or economic, further results will certainly flow. What is urgent is for the existing European Governments, including the United Kingdom, to take all possible measures to make an offensive movement by Soviet Russia too dangerous. But such is the economic as well as the military weakness of the European powers that American help in the way of armed forces in Europe as

well as economic help is indispensable. We come back therefore once more to the association of the United States, the British Commonwealth, and the free powers of western Europe in this all-important task. What political results would flow from this co-operation for defence must be left to the future.

Thus the road upon which the five Powers signatory to the Brussels Treaty have set their feet is the right road. They have agreed upon the permanent consultative arrangements which are to link them "economically, politically and militarily". For this purpose there is to be a "permanent Consultative Council" composed of the five Foreign Ministers, which is to meet at least once every three months in each capital in turn. Moreover, the Council is to have a permanent organ consisting of the diplomatic representatives in London of Belgium, France, Luxembourg and Holland, and a British representative. This body is to meet once a month and be assisted by a Secretariat.

A permanent military committee is to be set up in London under the authority of the Council.

Special Committees of Ministers or Experts are to deal with the economic, social and cultural questions.

At the same time, of course, the Organization for European Economic Co-operation, created in connexion with the European Recovery Programme, will pursue its task. What will grow out of this Council of the O.E.E.C. remains to be seen. By far the most important immediate result will be the co-ordination of the security plans of the powers in question. But these will be useless unless they are co-ordinated with the plans of the United States, on which in fact everything hinges. Together the "Brussels powers" and the United States have to determine how best to defend western Europe and what part western Germany shall play. The fate of Germany will go far to determine the fate of Europe. Can Germany remain divided? If not, can Germany now ever be united peacefully and by consent of all the occupying powers, or only at the cost of another colossal struggle? Which way will the Germans look, East or West? On these things depend the future of Europe.

Finally, as will now be clear, the question of the future organization of the British Commonwealth is a part of something very much greater. For the time being the future of the Commonwealth nations, as of the United States itself, lies in central Europe. Their frontier and ours is not now "on the Rhine", but much farther east. If and when Europe returns to a settled peace, the whole picture may change. But just as in 1939 the Commonwealth nations had to concert all their plans with us against Germany, now in 1948 it is unfortunately equally vital they should concert them with us against Soviet Russia. Thus the closest measures of co-operation between the other nations of the British Commonwealth and the United Kingdom are of first-rate importance.

What can replace the Imperial Conference?

THE organization of the British Commonwealth, however, is certainly not satisfactory, so far as public knowledge allows one to judge. The Imperial Conference has been allowed to lapse and nothing has taken its

place. The Dominions find it possible—notwithstanding all difficulties of distance—to take a very active part in the work of the United Nations. How is it that no plan for regular consultation between them and the United Kingdom seems to be regarded as practicable or even desirable? No doubt it is partly that there is a very great deal of consultation through official channels on defence problems, and on many other questions. No doubt an enormous flow of communications in the form of cables and dispatches keeps the Dominions informed of current events. But nothing takes the place of regular consultations between the Prime Ministers or Ministers next in authority to them. Added to reasons of distance, there are no doubt other and what may be called psychological difficulties. The Dominions are sometimes somewhat like sons who have broken away from their parents. They have—or some of them—an instinctive fear that, if they go back to consult their parents, the old relationship will revive itself, notwithstanding their complete independence. Such feelings are groundless, and it is time they were overcome. Lord Bruce recently proposed in the House of Lords a plan for mutual consultation, more or less identical with that put forward a few years ago by Mr. Curtin when he was Prime Minister of Australia. Lord Bruce proposed the formation of a Council of British Nations, representing the self-governing States of the British Commonwealth, plenary meetings of which would be attended by the Prime Ministers. Special meetings to consider special questions would be held whenever and wherever necessary, and be attended by the Ministers primarily concerned. There would also, Lord Bruce proposed, be an ordinary meeting once a month in London, presided over by the Prime Minister of Great Britain, and attended by the High Commissioners and any Dominion Minister present in London at the time. The Council would be served by a Secretariat composed of picked personnel drawn from all countries which were members of the Council. Lord Bruce's plan led to a very interesting debate in the House of Lords, which those interested in this important matter should read.* Lord Addison, on behalf of the Government, accepted Lord Bruce's motion, but at the same time indicated what a great deal of consultation and co-operation, particularly in the sphere of defence, was taking place now.

It is clearly of the greatest importance that, if the Imperial Conference is not to meet, something should take its place. For important matters the Prime Ministers should meet, and here distance and their manifold duties are a serious bar. If the Prime Ministers are not able to meet, it should be presumably the Ministers responsible for External Affairs or at least their Deputies. It may be worth suggesting that there ought to be a Special Minister wholly in the confidence of the Prime Minister and the Minister for External Affairs, whose sole duty should be to keep in touch with the other nations of the Commonwealth and to attend meetings of the Imperial Conference or, if it is created, the British Council. Just as the President of the United States is accustomed to send special emissaries to represent him on special occasions, so might the Prime Ministers of the British nations. But in their case, their Governments being Parliamentary Governments, the

* Hansard, February 13, 1948.

emissary must be a responsible Minister. It cannot be beyond the wit of man to devise a system whereby the Governments of the British nations can meet regularly in consultation in whatever part of the Commonwealth might recommend itself. No one can doubt that the agenda would be a full one. It is suggested that a special meeting of the Imperial Conference should be held to see what progress can be made and that, if it be held, careful preparations for it should be made beforehand.

The conclusions then at which this article arrives are as follows:

It is not feasible to federate the nations of the British Commonwealth. It is desirable that the Imperial Conference should be revived, or that some even more adequate method of regular consultation between the Governments should be devised. It is assumed that the already very close and continuous official methods of consultation and communication will be carried on and improved. The unity of the Commonwealth shown in two world wars in this century is taken for granted.

It is not feasible or desirable to attempt now the uniquely difficult task of federating or even confederating western Europe. Western Europe has before it the urgent task of assuring its continued free existence from attacks from the East. To that end the western European nations must (a) develop in closest co-operation their military and strategic plans; (b) co-operate equally to restore their economic strength; (c) secure that both military and economic aid to maintain the free European States against attack from the East will be afforded by the United States.

It is certain that it would be a source of weakness and not strength in achieving these ends to attempt to change the whole political structure of Europe, to seek to create a new sovereign state by the abandonment by existing governments of their own sovereignty, to "swop horses while crossing a stream". For instance, if the British were asked to transfer the sovereignty of the Mother of Parliaments to a sovereign Parliament sitting, say, in Paris or Brussels, if not in Frankfurt, would they feel the same loyalty and reverence for it? And that is what matters. The only solid base must be sought at this juncture in the established power of the existing governments.

The United Kingdom should proceed with the establishment of the closest co-operation both with the other British nations and with the United States, and with this as a background pursue the path of European co-operation now marked out by the Brussels Conference and the formation of the Permanent Consultative Committee.

The whole of Europe is in a state of flux. The object of the western European nations must be to hold fast to their ground, to defend their position with the aid of the United States, and to attract western Germany into ultimate partnership with them. For all this the greatest efforts and sacrifices may be required. What will be the ultimate outcome, in terms of political and constitutional relations of the close co-operation here recommended of the free democratic nations, none can yet foresee.

PALESTINE IN ASIA

A PLEA FOR A BROADER PERSPECTIVE

IN his penetrating analysis *Nisi Dominus**—the title is a challenge to those beset by temporal values—Mr. Nevill Barbour describes the emergence of political Zionism on to a stage where the actors, urged on from the wings, fight and die for or against the idea of a Jewish National State. He shows how this idea, at one time subconscious or concealed even among Zionists, first became explicit outside the ranks of Jewry when the Royal Commission, in July 1937, reported in favour of partition. The current then setting, as it seemed, towards Jewish sovereignty was reversed after the Partition Commission's report by the British White Paper of 1938,† with the words "it was not part of their (H.M.G.'s) policy that Palestine should become a Jewish state". The ebb gave way to another flow with the 1947 pronouncement of UNO in favour of partition, only to ebb again as the pressure of reality compelled America in her turn to grasp that the problems of Palestine have to be adjusted within a framework larger than had been understood. The crucial issue is one of sovereignty: there must be a decision whether or not there is to be a Jewish State. Vacillation on this issue has led to great misery, and there is more to come. But to forecast whether the issue is to be fought out or an uneasy truce to be established is not the purpose of this article: it is rather, not changing the view with the shifting scene, to see where men may turn, whether they be those struggling in the arena when the first violence is spent, or those in the audience whose vision extends beyond the actors. These, after due catharsis, may shape the play anew.

The subject is approached from the Asiatic angle. There is no question here of bias: Asiatic thought on Palestine is plain to read and to see. On this question, leaving Arab States aside, Ankara, Tehran, Kabul, Karachi and Delhi speak with one voice.

The issue, then, is one of sovereignty; it is wider than Palestine itself; and it is salutary to view it in Asian perspective. (The U.S.S.R. in this context cannot be thought of as Asiatic. Soviet interest in Palestine will be conditioned by Soviet aims in the Mediterranean directed from Moscow—in Asia Russia is an imperial power.) Now, as always since Islam displaced Hellenistic culture in the Levant, Palestine is an element not only in the Arab world of the Middle East but in a larger Asiatic concept. It is a bastion of Asia, even as North Africa is a prolongation and outwork of Asia. In the Crusades Latin Christianity strove to cut out the Holy Land from its natural body and to graft it within the European system. The impulse prompting the Crusades was in part mystical, in part informed by the acquisitive and adventurous spirit of medieval chivalry. But, whether the ardour was supplied by Peter the Hermit or Louis IX, by Urban II or Bernard of Clairvaux, by Godfrey de Bouillon or Richard Lion-Heart, it was only the moral and

* *Nisi Dominus: A Survey of the Palestine Controversy*. By Nevill Barbour. † Cmd. 5854.

material thrust from without that made possible the precarious hold of the Crusaders on the Levantine coast. In the end Islamic Asia reasserted itself. The velocity of thought and events is now much higher than in the time of the Crusades, so that, while the end may be the same, the time of adjustment will be much shorter.

The view from Asia was more clearly seen by British eyes when Britain had direction of foreign affairs from Calcutta, and later from Delhi. Britain was then able, by a simple change of stance, to look out on Asiatic affairs from a political and geographical centre. Indeed, the British position in India, and the need to secure it, had first prompted British interest in the Persian Gulf and Suez, and led directly to close British relations with the nearer Islamic world. In the two Great Wars the Middle East—the most vital strategic point after Great Britain herself—was held in the main by the resources of India in material and man-power, directed by British experience. Palestine was geographically on the fringe of this pattern, but in the first war a great part of the fighting from the Middle East position took place within Palestine, and, in the second, vital operations were launched from it, though the Holy Land itself escaped the ravages of war. It would be hypocrisy to disclaim a relationship between the Balfour Declaration and the springs of British policy in the bottleneck of the Empire. Since then oil and air communications have added further meaning to the Middle East political concept as a whole.

In 1919, two years after the Balfour Declaration, and again in 1945 at the end of World War II, British power in this region was overwhelming. Three years later, whatever the cause—possibly, as some may think, as a measure of atonement for what British policy in Palestine has brought about—the British, withdrawing from the Mandate, have disclaimed the will to direct events in Palestine. At almost the same time the withdrawal from India darkens counsel on the Asiatic scene. But Britain, having relinquished local power, may be better placed to give something of her political and spiritual heritage, and it behoves us the more to take stock of the forces behind Asiatic movements at this time of change. On one side is seen the passionate striving of Zionism, like the Crusades partly apocalyptic, partly sternly political, heroic but unrestrained, and not by any means commanding the allegiance of great numbers of assimilated Jews throughout the world, least of all of those ancient Jewish communities in Eastern countries outside Palestine. Arab resistance to this thrust has the vocal support of the Turks, the Persians, the Afghans, the Muslims of Pakistan, and, more significantly, the Hindus and the Greeks. China, too, is out of sympathy with Zionist ambitions. Opposition to Zionism is perhaps the one major point of policy uniting Pakistan with India. The fact that Greece, with her ancient Levantine tradition, should be of the same mind has great meaning. Persians have not always been of like mind with Arabs, yet here too the front is solid. In truth this Palestine problem is one that unites all Asia, and it is unlikely that the struggle will be concluded in terms of the narrow acres of the Holy Land alone. Wider geographical spaces, deeper temporal and spiritual values, are at stake.

Alternative to Partition

OTHERS, after the British, will wield the power to dispose events. Improbably, these may be the victors in a local struggle. Or they may be national, or international, forces, determined to set limits to a fire engulfing a whole region. But to what end shall those others labour? There is not visible any positive plan* to set in the place of partition (for international trusteeship in itself is no plan). It would be stimulating if signals were discernible to point a road whereby the remnants may find their way back from the battle when they weary of it. This way should lead to a wider horizon, with Palestine as one bulwark of an Asiatic regional system. If the struggle is not to be to the end, it must accommodate Jewry in a secure and honourable position in Palestine. And it must safeguard the old and honoured Jewish communities scattered throughout the Islamic world, from Tehran by way of Baghdad and Egypt to Morocco.

It has been said that the issue is one of sovereignty. Unless the Jews are to be expelled from Palestine, it is also one of space. A world understanding of the smallness of Palestine is essential to any constructive thought. The world Jewish population in 1938 has been estimated as 16,717,000.† Estimates of the Nazi massacres up to 1945 vary, but figures of from 5 to 6 million have been put forward, so that the world population of Jews in 1948 may be a little over 10 million, outside Palestine. Even a sovereign Jewish State in Palestine, which, following the terrible Punjab example, was to dislodge all Arabs from their homes and the shrines of their dead, could hardly absorb more than one-tenth of these to add to those already in the land, and that at the risk of famine and in the certainty of building up a ring-fence of undying hatred around the new State. Dr. Magnes,‡ a Jewish advocate of a binational Palestine, thinks in terms of a total of but one million Jews in a Palestine unpartitioned, to be worked up to after many years. Palestine can never accommodate the Jewish masses. As Philo, the Jewish Alexandrine philosopher, wrote in the days of Rome:§ "On account of their numbers the Jews cannot be contained in one land. For this reason they gain their living in nearly all the richest lands and islands of Europe and Asia. They indeed consider Jerusalem, where the Holy Temple of God Almighty is situated, as their *metropolis*, but they regard as their *patris* the country in which they have been living since the time of their fathers . . . and where they themselves have been brought up." Add America, from which few Jewish emigrants have proceeded to Palestine since 1922, and with some shifting of light and shade the picture fits to-day.

Against this background of time and space one must try to set the main issue. From the angle of Asia it is clear that there is no question of a Jewish sovereignty in Palestine, or part of Palestine, and no bias can be

* From time to time suggestions are made that Palestine be united with Transjordan under King Abdullah. Apart from objections to the solution of so great a problem by a medieval dynastic experiment, the concept seems too small, and arouses instinctive jealousy among all those feeling after a world solution.

† A. Ruppin, *The Jewish Fate and Future*.

‡ J. L. Magnes, *Like all the Nations?*

§ N. Barbour, *Nisi Dominus*.

imputed to any who affirm that this is the Asiatic view. It stands in clear perspective from the East. The conclusion in eastern eyes is quite simple and just this, that there is no room in Palestine for two sovereigns. Apart from spatial questions it is perhaps true also, *pace* Pakistan, that modern political thought is against the creation of new sovereignties by dismemberment, and moves rather towards free integration by way of economic pact or federal union as in the West, or to totalitarian internationalism brought about by force or fraud, as in the Soviet world. The ebb of the "Partitionist" tide, more than once, suggests that outside support fails when wider implications are grasped by the nations. Once that support, material or mystical, falls away, the forces of Asia will have free play to isolate Zionism, and it will be hard for it to maintain its precarious foothold. A consolidated independent Jewish kingdom must give way to quite another and a wider conception.

Throughout history, from Titus's capture of Jerusalem in A.D. 70—and even before, save for a period under the Maccabees—it is broadly true that Palestine was a part of a larger whole, not itself a State, or even a province of an empire. It was part of Syria—under the Romans, through the Byzantine period, under the Arab Caliphates, and under the Turks* down to 1919. Then came the British and the French, making a dismemberment of Syria. Since then the growth of the Jewish National Home in Palestine, and the several interests of Britain and France in Syria and Palestine, have tended to fix that division. But it is artificial, and becomes more so as the French and British depart. The Arabs of Syria and the Lebanon, the Arabs of Transjordan, and the Arabs of Palestine, whether Muslim or Christian, have many origins, but they are one people. There are thousands of Jews in wealthy settlements in all Middle Eastern cities outside Palestine—the Jewish colony in Baghdad is probably the most ancient of all Jewish communities, while Cairo and Alexandria, to say nothing of African lands as far as Morocco, are, each one, a Jewish *patrie* in Philo's sense. Jewry has always influenced the Levant. The relationship between Muslim and Jew never was, and is not now, to be resolved on the narrow ground of Palestine alone. Minds now limited by the barriers erected in Palestine would begin to move again once the issue were lifted on to wider ground. The very voicing of the political concept—"Palestine is part of Syria, part of the Middle East region, and its polity falls to be shaped as part of a regional settlement in Asia"—may open closed minds to let in new light.

League or Federation?

THE Arab League—a loose association of Arab States rather on the model of the British Commonwealth, maintaining individual sovereignties but lacking the unifying symbol of a single Crown—may or may not have strength sufficient to overcome the Zionist effort to wrench away a part of Arabia. Within this League rival ambitions and jealousies, whether of States or individuals, count for much, and some believe that only the Palestine chal-

* Palestine under the Turks was not even one administrative division of Syria. It was divided between the Vilayat of Beirut and the Sanjaq of Jerusalem.

lenge keeps the League alive. In order to qualify in opposition to the claim for Jewish sovereignty the Arabs may have to sacrifice much of their own individual sovereignties, if they are to look beyond mere destruction into a constructive future.

A federation of Syria (present-day), Lebanon, Palestine and Transjordan is a scheme launched some years back under the name of "Greater Syria". In essentials the project was only a restatement of the report of the American King-Crane Commission* issued in 1919 before Syria had been dismembered after the first war. The idea was one of an organically united State, which might later come into relationship, more or less close, with Iraq, and even with other States in the Middle East. It was counted out by Zionists on the ground that, in such a State, Jews would not attain sovereignty, or even an influential voice in the councils of the federation. Arab political thought, at first attracted, feared it for two reasons: the first that it might provide a cloak for Zionist expansion even beyond the bounds of Palestine itself, the second, and perhaps more radical, that it would bring to the surface latent dissonances in the Arab world. Thus the Arab States veered towards what seemed to them an easier concept, one (as they thought) more in accord with current political practice, and founded a League maintaining local sovereignties, based only on common language, history and traditions. It will be for Arabs themselves to resolve these matters. But it is certainly not yet established how far a loosely associated League, with all the jealousies inherent in separate sovereignties, can maintain a co-ordinated enthusiasm sufficient to evolve order out of the chaos that is Palestine. It may be that, for Arabs, the issue is thus to be stated. Which do they most desire? A masking of latent disharmonies, or an organic union strong enough to achieve the common end? Which is the clearer focus of Arab national consciousness? Federal union may be the price Arabs must pay to achieve a lasting settlement of their problem. With such a union that other fear of a concealed plan for Zionist expansion should disappear before the consciousness of strength and unity achieved. At least the issue is one to be submitted to the voices of the people. In Washington's words, Arabs would then have "raised a standard to which the wise and honest can repair; the event is in the hands of God".

Zionism and the Diaspora

WHAT have Jews to look for in all this? Through dreams and suffering, through sacrifice and heroism, often, let it be said, by ways of violence and equivocation they have striven towards a political Jerusalem. They have cared nothing for problems of space, or for the interests of the brethren in other Eastern lands. The fight is on, and without a parley all may be lost. What then could they achieve, at what loss, in a federated Middle East? They would have to surrender the idea of political sovereignty. In return they would secure peace and latitude in the Holy Places, and the ordinary men and women of Palestine, tired of strife and insecurity, would be able to live in peace, and forget the twin terror from their own extremists and those of the opponent. There is Arab authority to spare for saying that they

* G. Antonius, *The Arab Awakening*, Appendix H.

could negotiate the fullest local autonomy on a cantonal model in all districts where they are a majority. They would have to surrender claims to further immigration as a right, but could hope to negotiate a wider system of land settlement once the issue had been lifted off narrow ground. No Arab will discuss immigration or relaxation of land alienation rules until the claim to sovereignty is forgone. But, outside Palestine itself, above all benefits of a *détente* to Jewry would be a resolution of the latent differences of aim between the political Zionists and the assimilated Jews of Europe, Asia and America. The struggle to establish a Zionist State has without doubt led to an increase of anti-Semitism throughout the world in every Jewish *patrie*. Last and perhaps most compelling of all motives to compromise may be the unspoken thought that to stand and fight may bring the Jews to the end that awaited the Crusades, stagnation and eventual retreat.

Neither Jew nor Arab will turn to reasonable courses at this moment. The atmosphere is supercharged with emotion and reason is cast out. The immediate issue is between continued civil war in Palestine with attendant famine, and international enforcement of truce by the strong arm. The civil war in Palestine may continue with greater ferocity. But the interests of Asia, no less than of Europe and America, are engaged in the achievement of peace in the area between the Mediterranean and the Persian Gulf. On the material plane the world must have oil, and cannot long permit its air communications, and even the sea-lanes, to be interrupted. All realize that the contest transcends material values, in Palestine the holy land of three faiths, the meeting-place of East and West. The time comes for recognition of the loss suffered through the dismemberment of the Middle East after the passing of the Ottoman Empire. A cohesive Arab organism, by merging its own sovereignties, would have earned the right to set provincial aspirations within the bounds of local autonomy. It would have the power to display generosity and toleration to minorities within its component provinces. There is no reason why such a régime should be inconsistent with a measure of international control in and near the Holy City itself.

The alternative is—what? The pace of life has quickened since the Crusades, and a world grown small cannot long leave a land lying athwart its nerve-centres in a state of disquiet. But intervention holds great peril. Who shall say that the end cannot best be attained by a spontaneous adjustment, leading to the establishment of Jewish local autonomy within a framework of Arab unity? If both are found wanting, Greek dramatist and Hebrew prophet have foretold the fate in store for the blind no less than for the arrogant—not least in the life of peoples.

"And now, O inhabitants of Jerusalem and men of Judah, judge, I pray you, between me and my vineyard. What could have been done more to my vineyard that I have not done in it? Wherefore, when I looked that it should bring forth grapes, brought it forth wild grapes? And now, go to, I will tell you what I will do to my vineyard. I will take away the hedge thereof, and it shall be eaten up; and break down the wall thereof, and it shall be trodden down. And I will lay it waste—."*

* Isaiah v. 3-6.

THE SPIRITUAL COMMONWEALTH —

OUTLOOK FOR THE LAMBETH CONFERENCE

(From an Ecclesiastical Correspondent)

IN the first week of July the Bishops of the Anglican Communion throughout the world will assemble in London for the eighth meeting of the Lambeth Conference. The meeting should have been held in 1940. But the war and its after-effects have made it impossible to make the necessary arrangements before this year. Even now it is to be feared that travelling difficulties, and the disturbed conditions which still prevail in some parts of the East, will reduce the numbers of those who are able to attend.

To many, no doubt, the gathering will appear as no more than a purely ecclesiastical event, the domestic concern of the dwindling minority who, in a "post-Christian" world, still regard Church affairs as of any significance. The majority who, whether optimistically or with a lingering regret for the ages of faith, look to a new age in which the impulse of scientific achievement will have replaced the old religious hopes and fears, will scarcely think episcopal deliberations worth attention. It may be worth while to suggest a different reading of the facts.

It is as well to begin by clearing our minds of cant. There is an inveterate temptation to Anglicans to exaggerate the importance of their Church, a temptation subtly enhanced by the residual association of the Church of England with the British Empire. When the facts are examined it is at once apparent that numerically at least the Anglican Church ranks almost as a "second-class power". Its forty million adherents fall well below the Roman Catholic Church and some of the Churches of the Reformation. The idea that spiritual authority is dependent on political or economic power is of course a mischievous delusion.

And yet it may fairly be claimed that the Anglican Communion does occupy a position of influence in the world considerably greater than a mere numerical reckoning might suggest. Its geographical distribution, while unequal, is remarkably widespread. Its extension as an organized body has been rapid. In 1800 there were 75 dioceses, in 1940 320. While the tendency to associate the Anglican Church with the British Commonwealth is a natural instinct, a glance at the map shows how far it is from the truth. Of the 320 dioceses close on 130 are outside the Commonwealth area altogether.

This widespread dispersion is none the less matched by a strongly marked unity. And the nature of that unity needs to be accurately understood. It is the reverse of totalitarian. The Conference, when it assembles, will be in no sense a synodical or legislative body, possessing the power to make official regulations binding upon its constituent members. The Bishops in session will not form a Curia to advise a Pope at Canterbury. They will be there as the representative officers of provinces and dioceses, many of which enjoy a large measure of autonomy, but recognize none the less a unity which

transcends differences of almost every conceivable kind—theological, racial and political.

The nature of this unity is in part structural. Episcopal government, while by no means free from defects as an instrument of Church order, possesses at once a stability and a flexibility which make it a valuable means of preserving both continuity and communication. But the true cause lies deeper. It is to be found in a common tradition of worship which, even amid considerable diversity of expression, provides a common ethos, a sense of familiarity which gives great cohesive power.

Nor can we disregard the unifying force of the recognition of a common centre. It may be hard to define the precise nature of the authority of the See of Canterbury. It is not that of Rome. Nor, on the other hand, is it derived solely from the personal influence of the occupant, great as that has undoubtedly been in recent years. The See of Augustine stands rather for the fact of an historic continuity which has subsumed the effects of the Reformation under the tradition of Catholic Christendom. It stands also for a close-knit connexion between the Church and the life of the nation, of which, in Britain itself, the establishment is a real, even if sometimes misleading, symbol.

The authority of the Conference will thus not rest upon a statutory or legal character, which gives binding force to its decisions. It will rest rather on the fact that those decisions represent *auctoritas*, the considered judgment of men who by the tradition which they maintain, and by the weight of experience which they bring to their deliberations, can claim some right to be heard. Professor Brogan in his book *The English People* remarks that "The Church of England is now a great missionary church, with more first-hand knowledge of all parts of the British Empire than any secular body". That is a very considerable understatement of the truth. The Bishops at Lambeth will bring with them the most up-to-date experience of India in the first stages of independence, of the racial tensions of Africa, of the internal strains and stresses of China, of the world outlook of America and the Dominions. It would indeed be a lamentable reflection on the failure of the Church if out of this experience it had no guidance to give upon the right ordering of human relationships in the world of to-day.

The Church in a Changed World

THAT leads naturally to some consideration of the special significance of this meeting of the Lambeth Conference. The last meeting was held in 1930: and readers of THE ROUND TABLE may safely be left to make their own reckoning of the significance of the years which separate the two gatherings. The revolutionary effects of these years upon the character of the British Commonwealth itself, upon the relation of an independent Asia to the Western world, and upon the problem of achieving anything that can be called world order, as it now presents itself, need no elaboration. Nor are these effects the concern of statesmen only. They vitally affect the life of the Church, both on its constitutional side, in the relation of the new branches to the parent stock and, at a deeper level, in its primary task of establishing

human life on true foundations. And it may fairly be claimed that within the life of the Church developments have taken place which have a very direct bearing upon the world situation.

There is the slow but unmistakable advance towards the reunion of the Christian Churches. The Oecumenical Movement, which Archbishop Temple in his Enthronement sermon singled out as a new instrument of incalculable potentiality forged by God to meet the needs of our time, has pursued its course steadily by way of the great inter-Church gatherings at Stockholm, Lausanne, Oxford and Edinburgh until this year it reaches the definite stage of the inauguration of the World Council of Churches at Amsterdam, just three weeks after the Lambeth Conference itself ends. Within that movement the Anglican Church holds a position of strategic responsibility as combining in a unique degree, in its history and character, the Catholic and the Reformed traditions. The recent inauguration of the Church of South India, beset with difficulties as the experiment may be, is none the less a signal landmark on the road towards the reconciliation of bodies which have lived in isolation from one another since the Reformation.

Hardly less important has been the consolidation of the indigenous branches of the Church in Asia and Africa during this period. The first great Missionary Conference of the Churches was held at Edinburgh in 1910. The last was held at Tambaram (Madras) in 1938. No one who was present at those two gatherings is in any doubt as to the astonishing growth of the younger Churches in the interval. And the years of war, while terribly costly in material equipment and personnel, especially in China and the Pacific, have had a remarkably stimulating effect in developing a sense of responsibility and a capacity to assume tasks of spiritual leadership and economic self-support which twenty years ago would have been deemed impossible.

These statements are borne out by a wealth of evidence which has been accumulating in recent years. Dr. van Dusen in his book *They Found the Church There* has drawn a vivid picture of the experience of American and Dominion forces who, on their first landing on remote Pacific islands, found to their astonishment an indigenous Christian community rooted and growing. Not a few of them owed their lives to the devotion and resourcefulness of Christians who, at the risk of their own lives, rescued and cared for them. Here are some lines written by an American naval officer:

Bringing back the badly wounded, just as steady as a hearse,
Using leaves to keep the rain off, and as careful as a nurse;
Slow and footsore in bad places on that awful mountain track;
And the look upon their faces makes you think that Christ was black.

It is not surprising, but it is significant, that some of those who have had this experience are now preparing in their universities at home to go out to share the life of the Church which they have for the first time discovered.

On September 16, 1947, the refugee camp at Humayan's Tomb contained 15,000 homeless Moslems from the Delhi district. On that same morning the Indian Christian Principal of St. Stephen's College encountered at the

Town Hall a former Hindu student, now an I.C.S. officer in charge of refugee work in the city. He was greeted with these words: "The situation in the camp is such that no Hindu or Sikh can work there. The Moslems are too broken by what has happened to help themselves. Only the Christians can do it." On the morning of the 17th the Bishop, the Principal, the Methodist Episcopal Bishop and the Mission Hospital staff took the job in hand.

No one who knows the facts will desire to exaggerate the Church's case. Its resources and its contribution are often pathetically inadequate. But it remains true that there are a good many situations up and down the world in which Christians, and Anglicans among them, command in a unique way the respect and trust of opposing groups widely separated by racial and political differences. The real question is whether this position can be consolidated and expanded. It is very definitely in the interests of world peace that it should be.

Agenda for the Conference

TO turn to the actual programme of the Conference. Lambeth is a Church Conference, and as such it concerns itself with the affairs of the Church, questions of ecclesiastical government and order, questions of pastoral responsibility and of inter-Church relations, as these arise in the many varying contexts of provinces and dioceses. But its interest is not confined to these domestic issues. It is concerned also with the consideration of the Christian faith as claiming to offer to man universal truth about the meaning of his life.

By traditional custom some one major aspect of this faith always finds a place in the programme. It is almost inevitable that it should be the Christian doctrine of man which has been selected for this year's meeting. From every angle, academic and practical, philosophical, scientific, economic and sociological, the evidence of contemporary discussion focuses on one question as crucial. What is man? What is the true reading of this strange and intractable phenomenon which we call human nature? The traditional Christian view, the relics of classical humanism, and the growing forces of scientific secularism contend for the possession of his soul. In the fields of economic and political experiment every proposal for domestic reconstruction or international co-operation may be regarded as an essay in medical prescription for the sickness of society. But prescription depends on accurate diagnosis. And diagnosis in its turn calls for a thorough grasp of the principles of anatomy and physiology. You cannot prescribe unless you understand not only the constitution of the individual patient, be he Jew or Arab, Eastern European or Middle Westerner, but the basic make-up of man as such. Until we have grasped that elementary fact, until we know what this human nature is that we are attempting to treat, much of our doctoring is likely to be of the trial-and-error variety—and in this field that method is expensive. There could be few greater contributions which the Church could make to the task which confronts statesmen than a reasoned

statement of the nature of man, which commands assent because it does more justice than any secularist view to instincts and needs which any realistic observation recognizes as fundamental.

Such a contribution cannot of course be made solely in terms of theological pronouncements. It is evident that the growing dominance of secularist thought has its immediate effect in a challenge to the established moral values which have in our European civilization derived largely from a Christian source. The Conference will have to deal with the situation created by the deliberate repudiation over large areas of life, personal and social, of Christian moral standards. And it will have to deal with it in two aspects. There is the need to vindicate the claim of any absolute moral sanction as against the various forms of relativist ethics which tend to reduce moral action to the product of economic conditioning, psychological predisposition or social convention. And there is the need to deal specifically with certain points at which the impact is felt most sharply, marriage, the family and a crop of medical problems, such as artificial insemination, in which the advance of scientific knowledge creates new and difficult issues for the Christian conscience.

The emergence of a purely secular conception of man's life necessitates fresh thinking upon the relation of the Church to the State. This is particularly true with regard to education and to the right of religious liberty. Anyone familiar with the situation created by the emancipation of whole nations from the control of an even nominally Christian West, and by the resurgence of a fanatical nationalism, will recognize the urgent need to establish, not indeed monopoly rights for any one privileged minority, but a generally accepted agreement on the rights of minorities as such.

When we turn to questions which can more properly be described as domestic concerns of the Church, a number of important matters appear.

Easily first comes the question of reunion. The crucial case of the South India Church will be reviewed, and a decision must be taken as to the relation of the new Church to the Anglican Communion during the next thirty years which form the agreed experimental period. But there are other more general questions as to the attitude of the Anglican Communion to other proposals for negotiations both with other Episcopal and non-Episcopal Churches. Important discussions have already taken place not only in Britain but in America and Canada: and it is likely that the younger Churches of the East, always somewhat impatient of the legacy of our Western divisions, may have some urgent questions to raise.

Hardly less important is the question of liturgical order within the Anglican Church itself. Here of course we are confronted by strains and stresses which arise from the historical character of the Church as at once Catholic and Reformed. But the issue is not purely internal. The contribution of the Church of England to reunion is essentially dependent upon the maintenance of this historical ethos, in which different traditions are held in a unity which involves a willing acceptance of tension. It is possible that some of our political problems might be more easy to handle if the necessity of this costly but fruitful discipline were more fully recognized.

The Relevance of the Faith

IT might seem on a casual reading that this account of the Lambeth programme only confirms the impression indicated in the opening paragraphs. In a world in which the dominant issues appear to be almost exclusively political and economic, the future of the British Commonwealth, the bearing on that future of the relations of Britain on the one side to western Europe, and on the other to the Dominions, the shift of the centre of gravity caused by the emergence of the United States as a world power, is there any relevance in questions of Church order and government and the like?

The answer is, I believe, to be found at two levels. On the level of administrative experience some at least of the problems with which the statesmen of the Commonwealth are grappling have been met and partially solved, though of course in a different context, in the life of the Anglican Communion.

"What Mr. G. M. Young says in his history of Early Victorian England in relation to the South Seas is even more true of other and larger areas. 'Just as the work of Theodore of Tarsus in seventh-century Britain preceded the work of political unification, so in the South Seas the missionaries from their bases in Australia and New Zealand were planning the extension of Church organization and the creation of bishoprics long before the British Government had begun to recognize that it would have to make itself responsible for law and order.' Long before the States of the Australian Commonwealth were federalized, the Church had its federal constitution. Long before the Statute of Westminster was heard of, the regional branches of the Anglican Communion had attained what may be called Dominion status. The first Lambeth Conference was held in 1867, the first Colonial Conference in 1887, the first Imperial Conference in 1911. In India the new constitution of the Church long antedated the promises of Sir Stafford Cripps. In the Far East the Church translated its respect and regard for Chinese nationalism into constitutional terms before the powers of Europe had begun to adjust themselves to the fact of the new China.'"

The second level takes us deeper. At this level we are faced with the plain question whether an exclusive concentration on political and economic problems, which ignores the moral factors inherent in them, does not in fact render them insoluble. A Church which could recall men and nations to the recognition of the basic condition on which such problems as racial discrimination, national sovereignty and commercial expansion admit of a rational solution, would indeed be making a contribution to world order. But the recall must be made in terms of something more than pronouncements. It must be made in terms of determined and costly action. If Lambeth can awaken the Church to that truth it will indeed have done something of which it may ask statesmen to take note.

* McLeod Campbell, *Christian History in the Making*.

THE BRITISH SUBJECT

PERSONAL LOYALTIES IN A CHANGING EMPIRE

THE British Commonwealth is a creature of growth. Its nature and justification are pragmatic: it works because it lives, and lives because it works. Adaptability and change are the condition of life. As conditions change, so the Commonwealth must change to meet them, if it is to be strong, or even to survive.

Conditions have changed substantially since the nature of the Commonwealth was defined in the Balfour Report of 1926 and formalized in the Statute of Westminster of 1931. How substantially, we do not always realize unless we cast our minds back across the intervening years. A second world war has changed much more than the map and the balance of world power. New weapons have transformed the strategic problem. The "two-world" conflict with its ideological background has transformed the problem of rival nationalisms. The economic problems have changed radically from the days of "poverty in the midst of plenty" and the tariff controversies of the 1920's.

Within the Commonwealth the most striking change has been the rise to independent nationhood of countries formerly subordinate, whose history, race and outlook differ widely from those of the older self-governing members of the Commonwealth. One has freely departed from its midst; others are debating that step. One result is to cast the Commonwealth problem itself—the question of the nature of the association and its practical impost—in a new mould.

The issue of constitutional status no longer arises. It was finally settled by the Statute of Westminster. Experience has confirmed that the independence of the Dominions in every branch of their affairs is as real in practice as it was then made on paper. Their status is that of any other independent nation-State. Their membership of the Commonwealth subtracts nothing from that status, but expresses their free and independent decision to remain. The issues that exercised the statesmen and thinkers of the Commonwealth on that score a generation ago are unreal now. The problem has become a different one: is the practical nature of the Commonwealth such as to justify all its members, old and new, in upholding that free decision to remain, and indeed to justify the Commonwealth's continued existence and the adjustments of policy and practice implied thereby?

The nature of the Commonwealth will manifestly not be found in constitutional structure or constitutional formulae. Such formulae are false if they imply the existence of any constitutional bond in the true sense; and, if they do not, they are part of a symbolism which, however valuable, expresses the nature of the Commonwealth rather than determines it.

That is the position even of the Crown. The existence of the common Crown vastly eases the practical problems of law, personal status, international

representation and so forth in a community which is something more than an *ad hoc* collection of nation-States. But it does so as a symbol, not as a political or judicial authority. The King reigns but does not rule; and even as a constitutional mechanism without independent power his rights and functions as King of England give him no rights and functions in, say, the Union of South Africa, where they derive from his South African Ministers and Parliament. The common allegiance of all British subjects to His Majesty is a symbolic expression of a common personal status; but each of the independent nations of the Commonwealth is free to legislate both as to whom it admits as citizens and what practical meaning allegiance has in respect of rights, duties and punishment within its jurisdiction.

To say this is not in the least to depreciate the immense value of personal affection and loyalty to the King and the Royal Family in uniting the peoples of the Commonwealth. It is a force which has grown and is growing. But it obviously varies in strength considerably between different parts and communities.

Thus we must regard the Crown and the legal formulae deriving from it as no more than clues to the underlying nature of the Commonwealth connexion, not as the nature itself. We may even have to consider whether some parts of the existing recognized symbolism may no longer accurately represent the facts, and whether their retention may not actually work against the cohesion of the Commonwealth.

The nature of the Commonwealth is essentially pragmatic. It is what it is because it does what it does. Having emerged from history as a group of associated nations having common interests and purposes, it serves them through collaboration in many ways that may differ in form or intimacy from its members' relations with foreign countries. Commonwealth relationships are "un-foreign" relationships.

The proposition on which the nature of the Commonwealth connexion rests, that in the Commonwealth we are not foreign to each other, implies two things. First it implies that, in the context of State affairs, we not only reserve the right to deal with each other more intimately than with foreign countries, notwithstanding "most-favoured nation" or other such principles of general international relations, but also exercise that right through mechanisms of our own in the diplomatic, political, economic and military spheres. The second implication is that there is a common substratum of personal status, so that individual as well as national relations within the Commonwealth are un-foreign. Those two characteristics obviously interact. Especially does the second support and often enable the first: for example, collaboration in the sphere of defence is greatly facilitated by the fact that no question arises of disclosure of military secrets to persons of foreign nationality.

In some form, both characteristics are essential to the Commonwealth connexion. The lapse of all strict constitutional bonds makes it all the more important that these practical elements should be strengthened. If they become feeble the nations which are not attracted by the same motives of sentiment and race as the older self-governing members will find little

practical value in the Commonwealth connexion to offset what they may regard as its symbolic distastefulness. Indeed, the value of the Commonwealth as such in the world of to-day may be called in question.

On the plane of international relations the existing common mechanism includes

- (a) Conference at ministerial level.
- (b) The quasi-diplomatic fabric of High Commissioners, &c.
- (c) Common use of consular and diplomatic services in the absence of direct representation.
- (d) Tariff preference and special economic agreements.
- (e) Various forms of military collaboration.

Certain developments since the war have given rise to serious doubts whether this mechanism is adequate or is being used in the best way. Authoritative critics, having inside experience, like Viscount Bruce of Melbourne and Mr. R. G. Casey have testified that it is not. The public have been able to judge for themselves from such manifestations as the failure to effect real consultation with the Dominions over the Egyptian treaty negotiations; the wide-open split among Commonwealth nations over Palestine, a subject in which almost all are directly interested and on which Britain, with her unique experience and her own determined line at Lake Success, could surely have exercised a strong guiding hand; the absence of any approach in terms of Commonwealth responsibilities to the Kashmir dispute, which not only threatens war between two of its members but also is bound up with external invasion across an important Commonwealth frontier; and the lack of any concerted policy or pronouncement on Empire migration. Mr. Attlee's announcement on May 5 that a Commonwealth Conference would be convened as soon as the various Ministers could attend has been greeted with virtually unanimous applause, but the terms of his statement confirmed that such a Conference no longer has the prestige to give it priority, and that the United Kingdom Government itself is unwilling to force the pace and expose the laggards. Something has gone wrong, if not with the institutions, then with the spirit in which they are being used or the vision and ability of those using them.

A Disintegrating Bill

IN respect of the common personal status, too, a lack of vision in high places seems to have been displayed in the promotion of the British Nationality Bill. This Bill was sprung without warning on the United Kingdom Parliament, as if it were an uncontroversial measure for serving a universally agreed purpose of strengthening the Commonwealth. In fact it may well do the opposite; and if this is so it is presumably because Ministers and officials have failed to grasp the true nature of the problem to which the legislation is addressed.

The nationality laws of the United Kingdom, and of all countries whose legal systems derive from the common law of England and the statutes of what used to be called the Imperial Parliament, have been bound up with the

concept of British subjecthood. This has been the common status of all subjects of His Majesty wherever within his dominions they were born or resided. No other domestic nationality was known to the law of this country, nor indeed until recently to that of other self-governing countries of the British Commonwealth, though all of them—including in practice the United Kingdom itself—reserved and exercised the right to prescribe what qualifications were required of British subjects for local rights such as immigration or the franchise.

This system had, and has, great advantages. It gave substance to the proud boast *Civis Britannicus Sum*. It enabled citizens of different parts of the Commonwealth to intermarry without problems of losing or changing nationality or complications as to the nationality of their children. It fostered the growth and work of unofficial all-Commonwealth associations for professional and the like purposes confined for good reasons to British subjects. It made possible official and military collaboration which would otherwise have encountered fatal legal or administrative obstacles. It opened the door of opportunity in the public services of the United Kingdom—civil, diplomatic, colonial, military—and in the professions, too, as widely for citizens of countries of the Commonwealth overseas as for British subjects in these islands. It was of great importance in the working of the diplomatic and consular system abroad, which is available to protect the interests of all British subjects and British-protected persons in the absence of a representative of their own national Government.

Because Britain had most to offer and because she imposed the least restrictions on such grounds as colour, the system was perhaps appreciated more by the Dominions than by herself, and most of all by the people of the smaller or racially distinct countries of the Commonwealth, who thus found themselves as privileged in the United Kingdom as the local citizens. But there were invaluable advantages the other way, too, and Britain as the first nation of the Commonwealth had the greatest general interest in sustaining it.

It had, at the same time, certain defects. After the Statute of Westminster the complete legislative liberty of the Dominions gave rise to anomalies in the operation of the laws on naturalization, the nationality of married women and so forth, which might differ in different parts of the Commonwealth. In such "fringe" cases the existence of a common nationality but different laws about obtaining or losing it spelt a certain formal illogic. Secondly, certain Dominions felt that nationhood implied the right to a nationality of their own, even though they respected the idea of a common status transcending this local nationality or citizenship and applying to all the citizens of the Commonwealth. Being perfectly at liberty to do so, Canada accordingly passed in 1946 a law defining Canadian citizenship as distinct from British subjecthood.

Before the Second World War the problem of nationality and citizenship was twice the subject of report by the Imperial Conference. Twin principles were laid down by the Imperial Conference of 1930:

"It is for each member of the Commonwealth to define for itself its own nationals, but, so far as possible, those nationals should be persons possessing the common status. . . .

"The possession of the common status in virtue of the law for the time being in force in any part of the Commonwealth should carry with it the recognition of that status by the law of every other part of the Commonwealth."*

At the Imperial Conference of 1937, largely as a result of the legislative licence accorded to and used by the Dominions in this as in other fields under the Statute of Westminster, more precise attention was paid to the question of separate definition by members of the Commonwealth of their own nationals.

"It is for each Member of the British Commonwealth to decide which persons have with it that definite connexion . . . which would enable it to recognize them as members of its community. It is desirable, however, to secure as far as possible uniformity in principle in the determination by each Member of the Commonwealth of the persons, *being British subjects*, to be regarded as members of its community."†

The italics have been inserted to emphasize that, despite the stress laid on separate definition of "members of the community", the basic and original nationality was still assumed to be British subjecthood; local nationalities were derivative and secondary.

Early in 1947 an expert conference was again called together to consider the general problem. Its report was not published. Nor has anything been heard in public of the discussions among the different Commonwealth Governments that must have been pursued for many months thereafter; for it is stated that all the Governments have agreed to the main clause of the British Nationality Bill now before the United Kingdom Parliament. This secret manner of considering a subject of the greatest importance for the whole Commonwealth and for its individual citizens emphasizes how much has been lost by the lapse of the Imperial Conference, whose reports were open to public debate before any consequent legislation was introduced.

The clause of the British Nationality Bill which is stated to have been agreed by the Governments of all the countries named in it is Clause 1. It runs as follows:

"(1) Every person who under this Act is a citizen of the United Kingdom and Colonies or who under any enactment for the time being in force in any country mentioned in the next following subsection is a citizen of that country shall, by virtue of that citizenship, be a British subject.

"(2) The following are the countries hereinbefore referred to, that is to say, Canada, Australia, New Zealand, the Union of South Africa, Newfoundland, India, Pakistan, Southern Rhodesia and Ceylon."

It will be at once observed that this clause reflects a completely different attitude from that of the pre-war Imperial Conference. The assumption behind the two principles cited above was that British subjecthood was the basic nationality, though members of the Commonwealth could define their own nationals or citizens, confining them "so far as possible" to British subjects. British subjects were thus, within any member country, a privileged

* Section (b) of the report of the Committee on Inter-Imperial Relations, Imperial Conference, 1930.

† Summary of Proceedings of the Imperial Conference, 1937, Section XIV (i).

class of its citizens—privileged because their basic British nationality, the common status, would be recognized “by law” throughout the Commonwealth. Clause 1, on the contrary, makes citizens of any member of the Commonwealth a privileged class of British subject.

Hitherto the operative nationality in the Commonwealth generally has been British subjecthood. If this Bill is passed, and followed by like measures in the Dominions, the operative nationality in each Commonwealth country will be its own local citizenship. Otherwise there is no point in passing these measures. In the United Kingdom, in particular, there can be no reason for introducing the Bill unless this totally new concept of citizenship of the United Kingdom and Colonies is going to have some practical meaning; unless, that is, holders of such citizenship are going to have privileges and duties in the United Kingdom and Colonies more extensive than other classes of British subjects; unless, to be plain, a fatal injury is to be done to the old system of the common status, full of practical meaning and not a mere name, as British subjecthood will become under the system now threatened to be substituted.

The End of an Historic Boast

THIS injury is blatantly exposed by a later clause in the Bill (Cl. 13) which makes provision for “British subjects without citizenship”. It would be hard to find any phrase more obnoxious to the ancient system with its proud boast of the rights of British subjects everywhere; and this is no mere phrase, it is a legal provision which will apply in hard practice to thousands of British subjects.

The Bill, having provided for citizenship of the United Kingdom and Colonies by birth or descent, has a series of clauses dealing with citizenship by registration. A citizen of one of the Dominions (including Eire) may be registered if he is ordinarily resident in the United Kingdom and has been so resident for twelve months (or less if so prescribed by the Secretary of State in the special circumstances of any particular case) or if he is in Crown service under the United Kingdom Government. Another class of persons entitled to United Kingdom citizenship by registration are women being Dominion (or Eire) citizens who marry citizens of the United Kingdom and Colonies. Alien women so married may be registered but have no entitlement.

A whole series of consequent anomalies spring to the mind. An Australian coming to London must normally wait twelve months before becoming qualified for any employment, public or private, that may be restricted to citizens of the United Kingdom and Colonies, although a rival from, say, Jamaica or the Gold Coast would be automatically qualified at once. If a Maltese woman marries an Englishman she is affected by no change of citizenship, being both Maltese and a United Kingdom citizen without claim or formality; but, if a Canadian woman marries an Englishman, she has to choose between two citizenships, and, if she chooses her husband's, has to affirm her choice by registration. To the extent that its passage will have any practical import the Bill subtracts in such ways from the benefits of Dominion citizens; and it adds no benefits to anybody.

Potential anomalies and injustices could be easily multiplied. They might perhaps be excused if the anomalies under the existing system which have been mentioned as defects were eradicated by the new plan. But they are not. Each self-governing member of the Commonwealth will legislate for its own citizenship, providing for naturalization of aliens, nationality of married women and the like matters in its own terms; and its citizenship will automatically confer British subjecthood. Thus the paradox of the common status and the different terms of acquiring or losing it will remain as paradoxical as ever. The only plea in defence can be that under the new plan the common status of British subjecthood will have little practical importance. And that is the condemnation of the Bill, which then emerges in its true light as a measure to weaken the Commonwealth by turning the common status into an empty phrase.

The Bill has other serious defects. It deliberately severs one of the last intimate ties between the United Kingdom and Eire.* It provides that any citizen of Eire who, immediately before the commencement of the Act, was also a British subject shall remain a British subject provided he records a claim in writing on all or any of certain specified grounds linking him specially with the United Kingdom or Colonies. If the grounds are not apparent, or no claim is made, the British subjecthood lapses. And even then the provision applies only to the dwindling class of those Eire citizens who at the date of the Act were British subjects. Their descendants and successors have no such claim. Obviously there are anomalies in the present situation, wherein a different view of nationality is taken by the Eire and United Kingdom Governments respectively, but once more the new anomalies are as bad as the old, if not worse; and for Britain deliberately to break the link which she has hitherto upheld is as if one were to cut off an arm because one has chilblains.

One further unhappy by-product of the new plan must be mentioned. Closer unity with the countries of western Europe has become an all-party objective in the United Kingdom; but no responsible party leader wants it at the expense of the Commonwealth connexion, or believes that it need be so. One of the vital ideals of Western Union is common citizenship. Under the existing system of British nationality there is a simple means in which this can be admitted as to citizenship in the United Kingdom without cutting across the Commonwealth code. The means can be summarized in three propositions: first, all British subjects are treated as citizens of the United Kingdom when they come within its jurisdiction; secondly, all citizens of Western Union countries can be treated as citizens of the United Kingdom when they come within its jurisdiction; thirdly, not all those so treated need be British subjects. Clause 1 of the British Nationality Bill makes this solution impossible because it reverses the third proposition and therefore makes the admission of other Western Union nationals to United Kingdom citizenship automatically involve their admission to British subjecthood, the common status which concerns not only the European member of the Commonwealth but all the members equally. Why, at this particular moment, it

* For an Irish criticism of the Bill see p. 705.

is thought necessary to throw this unnecessary Commonwealth difficulty in the way of Western Union has yet to be explained.

Indeed, as this is being written the Government have yet to defend the Bill in Parliament. No doubt the debates will reveal what overmastering reason could be held to justify such an attack upon the old beneficent tradition, which is even more important to the modern Commonwealth, with its weaker political bonds and its new facilities for intercourse, than to the old. Lacking such an explanation, we can only guess that Ministers have been bamboozled by the notorious plea from "experts" for uniformity. Uniformity is an object-in-itself for officials, not for statesmen. In this case, it does not involve a levelling up to the wise and generous practice of the United Kingdom; it must in practice involve a levelling down to the narrower nationalism of which in this field Canada has been the chief exponent. But what the most nationalist of the Dominions think good for themselves is not necessarily good for the United Kingdom or for the Commonwealth as a whole.

Uniformity is a particularly dangerous ideal to pursue in the British Commonwealth. For, its membership being so various, and its *modus operandi* so pragmatic, there is in its internal relations scarcely an institution or practice that is, or ought to be, uniform throughout the whole. Formulae for expressing its nature have to be in the most general terms. Such was the Balfour Report of 1926, which hastened moreover to add to its famous phrases on the autonomy of the Dominions the rider that the equality appropriate to status did not extend to function. As the several functions vary, so will the means for jointly carrying them out.

How Much is in a Name?

THIS has an important corollary in the field of terms and titles. A great deal hangs upon terminology in all matters resting upon popular consent. An institution or a policy demonstrably valuable in itself can be damned out of hand by the use of names and phrases which call up obnoxious ideas in the minds of the people. In this respect the association and context of words count for much more than their dictionary meaning: phrases obnoxious in some quarters or in some contexts are quite acceptable in others; for example, an utterly pacific people goes on calling its Minister for the Army the Secretary of State for War.

"Dominion" as the title of self-governing members of the Commonwealth other than the United Kingdom has long lost for us and the older Dominions its literal meaning, with its implication of subordination, just as British subjects are not thought of as being "subject" to anyone, and "Governor General" is accepted as a proper title for a representative head of State who does not govern. But in the newer self-governing countries of the Commonwealth these terms may, from historical causes as well as imperfect knowledge of the language, call up quite different ideas to the public mind, much nearer to their literal meaning.

This has prompted a quest for a new set of terms and titles appropriate to the new circumstances and acceptable to the new members. But here the

corollary of non-uniformity comes in. It does not follow that if terms and titles are adopted to suit the new members they will also suit the old, or will endure through times of further change; nor therefore need it be assumed that because new terminology is needed for some occasions the old must be abandoned for all. The title "Commonwealth" is itself a good example: as the name for our community of nations where the accent is on the equality and independence of its self-governing members, it has rightly superseded the older term "Empire", but the latter remains equally the name of the whole community and in some contexts is still the better. Alternatives have been proposed for the title "Dominion", and of the distinctive substitutes "Realm" has perhaps the greatest appeal. But it will not please all, even of the newer member-nations, nor is there good reason why those which prefer to go on calling themselves Dominions should not do so. There is room for Dominions and non-Dominions, terminologically speaking, within the broad arms of the Commonwealth.

Some general terms and titles are obviously necessary if discussion of Commonwealth affairs is to be at all brief and precise in language. But they should be commonplace and descriptive rather than allusive and fanciful, so that they may be adapted or qualified to meet different occasions. Thus "member nation", or either of those words, will serve very often where "Dominions" is the present alternative; and we can as readily talk about the Nation of India as about the Realm or Dominion of India. And "Commonwealth status" or "Commonwealth citizen" are good enough pseudonyms for British subjecthood until either some new term catches on or the old one is found to have gained general favour. If we are to have a new terminology of Commonwealth affairs, let it come gradually and naturally, as words do in the growth of languages, rather than by sudden invention.

That is not to say that effort and imagination are not needed to preserve and strengthen the Commonwealth. Never can there have been a time when they were more important. In the realm of ideas, of institutions and of day-to-day practice there is as much need for energy and initiative as there is danger in pusillanimity and inertia. But effort and imagination must needs be directed to preserving that which is good as well as seeking that which is better.

N.B. The British Nationality Bill was read a second time in the House of Lords on May 11. The Lord Chancellor defended the principle of Clause 1 mainly on the ground that the action of Canada in legislating for a Dominion citizenship had rendered it impracticable to maintain the system of a common code of nationality law for the Empire. Lord Simon's criticism of the Bill included some of the arguments advanced above. The article went to press too early to allow of revision in the light of the debate.—Editor.

SOUTH-WEST AFRICA AND THE UNION

(From a Correspondent in the Territory)

THE Mandated Territory of South-West Africa, which has loomed so large in UNO discussions during 1946 and 1947, merits the interest displayed if size of territory is a criterion of importance in international affairs. It stretches from the Orange River in the south to the Angola Border in the north, a distance of about 800 miles, and from the Atlantic Ocean in the west to the border of the Bechuanaland Protectorate in the east, an average distance of 350 miles. Covering an area of 317,725 square miles it is slightly more than two-thirds the size of the Union of South Africa and much larger than France. This vast area is inhabited by less than 40,000 Europeans, two-thirds of whom are South Africans who have settled in the Territory since its occupation by Union forces in 1915; the remaining third is made up from Germans, who were either resident here at the time of occupation or have settled here in the period between the wars.

The native population of somewhat less than 250,000 souls is concentrated to the extent of three-fifths in the exclusively native areas situated beyond the police zone in the north of the Territory and known as the Kaokoveld, Ovamboland, the Okavango Territory and the Caprivi Zipfel. Because of the high rainfall in these territories and their suitability for agriculture, they are able to carry the existing population with ease. The remaining natives live within the police zone, *i.e.* the area farther south occupied by both Europeans and natives, and reside partly in native reserves set aside for the different tribes and partly in the towns and on farms owned by Europeans. Of these tribes the most important are the Hereros, Damaras and Hottentots, each numbering approximately 25,000 souls.

At first glance it would appear that so large a territory is capable of carrying a much larger population, but on closer investigation this view is confounded. The inhabited portion of the Territory is wedged in between two deserts, the Namib in the west and the Kalahari in the east. The Namib, which varies from 50 to 90 miles in width, stretches all along the west coast and covers an area of over 40,000 square miles of uninhabitable country. The Kalahari, though not so forbidding as the Namib, is likewise not capable of permanent settlement to any material extent. Moreover, the south of the inhabited central strip of the Territory has a very low rainfall and is periodically subject to severe droughts, so that here too there is no prospect of supporting a much larger population. The main hope for expansion of European population is centred on the central and northern areas, where a higher rainfall makes it possible to raise cattle and to farm on smaller areas of land. But even there the soil and climate are in the main unsuitable for agriculture, so that the possibilities of population expansion are very limited.

South-West Africa is a poor country, despite its present affluence. Its economy is based almost entirely on the karakul-pelt industry in the south

of the Territory, which has enjoyed ten years of unprecedented prosperity and high prices on the world markets, and the cattle and dairy industries in the centre and north of the Territory. The latter industries are in normal times entirely dependent on the Union markets for the sale of their products. When, therefore, the Territory experiences one of its periodical droughts, or if there is any large drop in prices of karakul pelts, its economy suffers a rude shock. The diamond, copper and vanadium mining industries are not sufficiently important or dependable to cushion the effect of such economic shocks or to hold out the prospect of supporting a large population. Nor does it seem likely that the recent development of the fishing and canning industries and the Territory's two ports, Lüderitz and Walvis Bay, will contribute any considerable change to the economy or to the population problem for some time to come.

Such then is South-West Africa—a vast semi-arid area, sparse in population, varied in racial constitution, poor in natural resources, one-sided in its economy, with but little prospect of ever supporting a large population, but at the same time of paramount strategic importance to the Union and linked to it by close racial, cultural, economic and even political ties.

The Plan of Incorporation

AGAINST this background the proposal for incorporation of South-West Africa in the Union should be viewed. It is not new. It was first made by the South African delegation at the Versailles Peace Conference in the somewhat different guise of annexation. The Allied statesmen rejected it, but in its stead granted the Union what has been cynically called 'Veiled Annexation', *i.e.* full power of administration and legislation over the Territory as an integral portion of the Union, subject to the terms of the mandate. The principal duty imposed on the mandatory was 'to promote to the utmost the material and moral well-being and the social progress of the inhabitants of the Territory'.

The course of events soon made it apparent that the Union had not achieved that measure of security on its borders for which it had hoped. The uncertainty as to the eventual fate of the Territory and the presence in it of a large foreign population, who were still hoping and working for the return of the country to Germany, provided a constant source of unrest and retarded its economic and constitutional development. Little wonder then that the Union Government did not adopt the recommendations of the De Wet Commission and integrate the Territory in the Union, with a Provincial Council of its own and representation in the Union Parliament.

Instead, a form of representative government by Administrator and Legislative Assembly with power to legislate on matters which were not temporarily or permanently reserved—the latter including most of the really important functions of government—was conferred on the Territory in 1925. The Assembly was deprived also of effective financial control, while the full powers of administration and legislation conferred by the mandate on the Union Government were left unimpaired by the new Constitution. At any moment these could be invoked to override the legislation

of Administrator and Legislative Assembly. Moreover, representation in the Union Parliament was significantly withheld.

Although 'Automatic Union Nationality' was conferred on the German population, it became evident that in regard to cultural, political and economic interests, they acted as a United German *bloc*. The immediate reaction to this racial grouping was the fusion of the two South African parties into a compact Opposition. The cleavage of race between the two groups grew ever wider as Germany waxed in strength, and the demand by the South African Group for incorporation became ever more urgent as propaganda for the return to Germany of her former colonies increased. The war caused the automatically naturalized Germans to be deprived of their naturalization, eliminated Germany as a world power and completed the collapse of the League of Nations and its mandate machinery. Although the disappearance of the Germans as an organized political force in the Territory has resulted in the reappearance of a South African Opposition party, the two groups are as unanimous as ever in their desire for complete Union sovereignty and the removal of all uncertainty about the future status of the Territory. Any form of international government or trusteeship, as suggested by the United Nations Organization, would be bitterly resisted by the entire South African population of the Territory.

The German population, although for the moment politically impotent, has in the main given up hope that the Territory will ever return to the Fatherland and has become reconciled to the idea of South-West Africa as part of the Union of South Africa. Union nationality, so much despised in the past, is now being eagerly sought by the Germans. The Union with its great prosperity has suddenly become very attractive to them. It would not be wrong to say that to-day the overwhelming majority of the Germans would support the incorporation movement and be opposed to the idea of international government, with its possibilities of foreign interference.

The Native Point of View

THE native population, which has not reached the same stage of political development as the Europeans, and which with the exception of the Herero tribe is largely inarticulate, took no active part in the political and constitutional struggle in the Territory during the past twenty years. The majority live in their own territories in the north under a benign government, which interferes only to preserve order and justice and has brought them peace and prosperity greater than they have ever known. Little wonder then that, when they were asked whether they were satisfied with their existing Government or would prefer a government from overseas to be substituted for it, their reply was a unanimous vote of confidence in the Union Government and its policy.

The only spontaneous opposition to the incorporation policy came from the numerically inferior Herero tribe, the *Herrenvolk* amongst the Territory's native tribes, who are still bitterly resentful of European settlement in South-West Africa and who have not yet become reconciled to the inferior position they now hold and to the fact that Europeans now live in the land over

which they formerly held sway. In the light of their grim struggles with the German colonists in the past, in the course of which the Hetero tribe was all but exterminated, their opposition to the incorporation plan was not unexpected. Even though under Union rule they have prospered to a degree unknown to them, they still entertain hopes of one day ousting the Europeans and regaining their ancestral lands and their position of superiority among the native tribes. Like the Germans in pre-war days, they are opposed to any step which might militate against the realization of their ambitions.

Some opposition has also come from the Damara tribe. In former days they were the servants of the Hereros, whom they still regard as their superiors. It is commonly accepted in the Territory that their opposition to the incorporation policy is not spontaneous but has been instigated by the Herero tribe.

The request of the majority of Europeans and Native inhabitants of South-West Africa for the incorporation of their territory in the Union has been rejected by UNO. The Union Government's refusal to submit a Trusteeship agreement and its determination to continue administering the Territory in the spirit of the mandate carries the approval of that same majority. But, particularly amongst the European inhabitants, the demand for constitutional development is as strong as ever. On the one hand it is felt that after twenty years a stage has been reached where the powers that were temporarily reserved and some of those which were permanently reserved for the Legislative Assembly should be entrusted to their competence. On the other hand, there is a general feeling that the development of the Territory has been retarded, that the Union Government has not always promoted to the utmost the material and moral well-being and the social progress of the inhabitants, mainly because the Territory has had no representation and no voice in the Union Parliament and the other law-making and executive bodies, whose decisions are applied to South-West Africa. In no sphere is criticism more marked than in that of the railway policy as it affects the Territory.

During his recent visit to the Territory Field-Marshal Smuts signified his willingness to extend the powers of the Legislative Assembly in certain respects and also to grant the Territory a measure of representation in the Union Parliament and certain other statutory bodies. He has not found it possible to do so before the forthcoming general election, but has given the Territory the assurance that this matter will have high priority when the new Parliament meets. Although the delay has occasioned some disappointment in South-West Africa, the two local political parties have opened negotiations with a view to finding a common basis on which to discuss constitutional and financial questions with the Union Government. They are likely to agree on the following concepts:

1. That the Union should have absolute internal and external sovereignty over the Territory.
2. That provincial status is not suitable to the special circumstances of the Territory, which should be given a different status, allowing for an

extension of its legislative and administrative powers on the one hand and, on the other, for representation in the Union Parliament and other bodies, on a different footing from that applied to the Provinces of the Union.

It is quite clear that in the discussions which will be conducted with the Union Government it will be urged that South-West Africa has not yet reached that stage of development which permits of her being treated on the same footing as the other Provinces of the Union, that until that stage is reached her interests demand development of the present form of government in preference to the introduction of provincial status, that in regard to both representation and financial relations she will require special treatment on a different basis from that meted out to the Provinces, and that, particularly in the field of railway and harbour development, prominent among which will be the construction of a broad-gauge line to the north of the Territory and the linking up of Walvis Bay with the Rhodesias, the Union Government should come to the assistance of the Territory.

Such a policy would have the support of the overwhelming majority of Europeans and Natives in the Territory and would, if accepted by the Union Government, mean a big step forward on the Territory's path of constitutional and economic progress. It is realized in the Territory that the Union is being asked to concede much and that South-West Africa is offering but little in return. But it is likewise felt that a strong case can be made out for such differential treatment. The vast area of the Territory, its sparse population, its close economic and cultural ties are in themselves grounds for favoured treatment. But above all, its strategic importance to the Union is so great as to counter-balance many of the constitutional and financial concessions to which the Territory lays claim. In the last resort the inhabitants feel that the Union Government should not lose sight of its obligation 'to promote to the utmost the material and moral well-being and the social progress of the inhabitants of the Territory'.

No doubt under such favoured conditions the Territory should develop rapidly and soon be able to assume its place in the Union of South Africa on a footing of complete equality with the other Provinces.

THE AMERICAN GUARANTOR

THE UNITED STATES AS BUTTRESS OF PEACE

American hopes and policies are today fixed on the following objectives:

That there shall be no war with the Soviet Union. We believe that the American rearmament program should contribute to peace, rather than to war.

That the nations of western Europe, with the aid of the European Recovery Program, will not only steadily approach economic stability but will make great and growing progress toward federal union.

That the United States will be able to check and reverse its present inflationary tendencies and at the same time prevent a serious economic recession.

That the United States will nominate wise and experienced candidates for the presidency, and proceed to an orderly and invigorating national election.

Improving Omens

On the whole—and General Bradley to the contrary notwithstanding—Americans feel that the dangers of war with the Soviet Union have grown less in recent months. One important fact has been made clear: that the United States is preparing to meet Soviet aggression with military force, if that step becomes necessary. The willingness of the United States to take military action was not made clear in 1914 and 1939; indeed, Americans themselves did not have such willingness in advance. Both aggressors, in those dire years, calculated that the United States would stay out. There is no excuse for an aggressor to make any such calculation in 1948. To the contrary, American press, public and congressional opinion is almost inflammatory in its awareness of the dangers of Soviet aggression. And we have begun seriously to reconstitute the sinews of war.

Yet, of course, all responsible Americans hope that war can be averted, even if they recognize serious dangers. Most of us believe that war will not be prevented by appeasement or by soft words, but by firmness and resolution. We know that armament races do not produce peace. But we hope that what may seem to be an armament race will actually turn into a balance of powers, and that Russia and its satellites will calculate the risk to be too great to perpetrate a reckless act.

Well-informed Americans believe that the Russians have gone to the limit of un-dangerous expansion in Europe. That is probably why General Bradley said the other day that the risks of war have grown greater in the last three months. That is a natural and wise military calculation, assuming the Russians intend to go right ahead. But if the Kremlin is well advised, and it has always seemed to be, it will not seek further frontal expansion.

Rather, the Soviet power may be expected to probe various soft spots, such as Iran, instead of taking overt and irretrievable action in Berlin or Vienna. The Kremlin strategists might be expected to look even farther afield, and to stir up trouble in the Far East—from Korea to Indonesia. Such more remote activities, especially if concentrated on internal subversion, might not precipitate war.

Indeed, the coming tests may be of the internal stability of States, through Communism's power of boring from within. Such an offensive, albeit dangerous in the long run to the Western world, would not present the threat of war implicit in attacks in Greece, the Dardanelles, the Adriatic or central Europe. A period marked by such tactics would be less strained than the last six months. It might give western Europe a breathing spell. In any event, Americans hope that their rearmament has helped to warn the Soviet away from the West, directly. That, at least, is a gain.

Americans are not seriously worried about the Far East. Our position in Japan is strong. The thirty-eighth parallel in Korea, where United States and Soviet forces confront one another, is, of course, a difficult and dangerous frontier. But it is considered unlikely that the Russians will do more than make an over-all Korean settlement impossible while they continue exacerbating the American occupation of southern Korea.

As for China, Americans have become as defeatist and cynical about the chances for an early clean-up as are many Chinese themselves. We do not believe the Russians will have better luck backing the Chinese Communists in any major effort at advance than we have had with Chiang Kai-shek. We should, of course, very much like to see China's civil war ended and the nation unified. But we have learned that China has an almost unlimited capacity to swallow up outside aid without visible benefits. We think the Russians may run into the same situation.

There is perhaps more danger in Indo-China and south-east Asia generally. Here is a happy hunting-ground for Communism. But there is not much Americans can do about it, except to help Britain, the Netherlands and France to regain their stability in Europe, which is bound to have a helpful effect on their colonial policy. At any rate, the shocked and sobered aftermath to Gandhi's assassination has considerably relieved the tension in India. That makes south-east Asia somewhat less vulnerable.

Taking the world as a whole, therefore, most Americans conclude that the Soviet danger is a bit less, and the chance for world recovery a bit more. They do not underestimate the Soviet capacities for sabotage and subversion. But they think that progress has been made.

The real test, Americans well know, will be in western Europe. There the Western nations have achieved the diplomatic, political and economic initiative. They have taken the lead from the Russians with the Marshall Plan, the Brussels union, the Italian elections. Now it is important to keep the lead. It is necessary for the United States to make certain that its dollars and western Europe's self-help efforts shall not be in vain.

In the American view, the first and perhaps most important need is for the Organization for European Economic Co-operation to become stronger and

more closely integrated. The spirit and essence of Brussels needs to spread and to deepen. The present tempo toward western union needs to quicken. It will not be possible to work out all the details before the time comes when broad measures of unification should be agreed upon. Perfectionism is a grave danger. The important thing is union; the details will have to wait, and they will involve much compromising. At any rate, that is the American view. For Americans are by instinct and experience deeply convinced of the merits of federalism. Every American, however ill informed, would support a "United States" of western Europe, although among the scholars and specialists there would be many different recipes for federalism. So we are eagerly watching every step toward unification, and with a natural impatience, for we realize that time is short and that the obstacles to unity will become much greater if and as the immediate danger recedes. Unless western Europe effectively utilizes the present opportunity, Americans would be inclined to see ruin down the road.

But Americans know that their economic help and their diplomatic urgings will not be enough to facilitate and protect Western Union. That is why Secretary Marshall, Senator Vandenberg and John Foster Dulles have begun the discussion of military guarantees. More than that, they have begun discussions of the fate and the possible reform of the United Nations. At the same time, British and American leaders have conferred on immediate steps to take in the event of a sudden crisis, as in Berlin, Vienna or Trieste. The Combined Chiefs of Staff have been reactivated.

What can the United States do to guarantee the security of western Europe? There are two proposals under careful discussion in Washington. One is to try to amend the United Nations Charter so as to curtail the veto, thus giving the Security Council greater freedom of action in dealing with aggression. But such a move would be more psychological than real, since Russia holds a veto over the abolition of the veto. The proposal simply would underline to the world the desire of the United States to make the U.N. an effective instrument of collective security. It would imply our willingness to take enforcement action.

The other proposal would be for the United States to make an explicit and formal declaration that any armed attack upon western Europe would be treated as an attack upon the security of the United States and would mean war. Such a declaration of American policy would not necessarily have to come from Congress. It could come from the President, as the Monroe Doctrine came from the President. But in order to be an adequate warning to Moscow and an adequate assurance to western Europe, it would have to have the manifest approval of Congress and of the country. To explore the possibilities of non-partisan approval of some such program was the evident purpose of the Marshall-Vandenberg-Dulles conferences.

In addition to this type of American guarantee, it is to be expected that some sort of military aid will be proposed by the Administration, and probably approved by Congress, at least for the nations signing the Brussels Agreement. There is no question of American determination to prevent interruption by force of the hopeful steps toward Western Union. But

American policy will be greatly influenced by the forthrightness and extent of these steps themselves.

Economy of Rearmament

OF profound importance, however, will be the effect upon the American economy of our expenditures for European recovery and for rearmament. Before the Marshall Plan was passed and the new military program was announced, the United States seemed headed toward an economic recession, perhaps in the autumn. Many downward tendencies were noticeable. The gap between production and mass consumption had widened. Partly because of rising prices, consumer's purchasing power was lower than at any time since 1942. If shipment of goods abroad had declined, prices would have come down as well, and to that extent helped to narrow the gap between production and purchasing power. But employment also would certainly have declined, and perhaps even more severely, so that a recession was foreseen.

Now, however, the Marshall Plan will fill the gap expected from decreasing exports. By itself, E.R.P. might have maintained production just about where it was, and prevented a recession. But the Marshall Plan is not the only instrument at hand to reduce the gap between production and consumption. The large increases in American military expenditures threaten now to throw us into an armament economy, with all the consequent dangers of further inflation. Already the national economy, in the President's phrase, is tight as a barrel. And the armament expenditures will come in the areas which have been feeling the greatest strain. Plant construction, private investment and price increases in key commodities are the apparently inevitable consequences.

The extent to which this armament economy will do more than halt recent downward trends, and the degree to which runaway inflation is threatened, are highly controversial problems. There still are tendencies in both directions. The labor market is certainly very tight. The current situation is described as "more than full-employment economy". By that is meant that youngsters who would not normally be in jobs have been lured away from high school into the labor market. Armament manufacture and plant construction, on top of foreign aid, on top of still unsatisfied domestic demand, with a seasonal rise in agricultural labor needs and followed by a draft of 270,000 young men, would certainly put a strain on the country's manpower resources. There is no significant available reserve. The only available flexibility is in our normal annual labor accretion of about 700,000, and women and retired persons can be drawn into employment as they were during the war.

The President's Council of Economic Advisers still finds a safety margin. They report that E.R.P. will leave an export surplus in 1948 "at least \$2,000 million below the level that the Council's October report contemplated and found to be safe. This leaves room for the safe absorption of a defense program of considerable magnitude. Thus, in terms of its general impact upon the economy, the defense plan would seem to be something the country could readily take in its stride."

This view is certainly on the optimistic side. It does not take into account the long-range effects of an armament economy. If the defense program serves its avowed purpose to prevent another war, how shall we then carry out the transition from an armament economy to a genuine peace-time economy? How do we let go the economic bear's tail? Certainly it should be well emphasized in advance that the United States must hold itself ready at any time to climb down off the armament economy, liquidating without hesitation the financial interests which will have developed a stake in maintaining this lucrative business. Never before has a great armament economy been converted into a peace-time economy without the intervening ordeal of war. That will be the economic challenge which—we hope—Americans will face.

The chief immediate danger is to avoid a third round of wage increases. Having virtually invited such increases by a rise of prices in February, the steel industry has seen its grave mistake and by price cuts is seeking to prevent further wage boosts. General Electric, Westinghouse and other great corporations have announced price reductions. It is too early to tell whether these cuts will have any significant effect on the national economy. Profits are still very high, and labor's real purchasing power is still lower than it has been since 1942. There is thus great force behind the arguments for higher wages. But another wage increase would inevitably lead to another price increase, and the vicious spiral would continue on its upward way.

There is no likelihood that Congress will give President Truman any new economic controls. Such brakes on inflation as will be applied must come either through existing instrumentalities—which are not very potent—or through private measures, which industry has always claimed to be the right focus of control. Now industry has its opportunity. That is what steel is trying to do now. But much more substantial price cuts than those yet announced will be necessary before the economy really halts, stabilizes and turns downward. Indeed, the April reductions in steel prices have not yet equalled the February increases. And in February big steel said its increases were "too small and unimportant" to be inflationary. These facts are self-evident. So are the profit figures. United States Steel's net profit in 1947 was \$153,000,000, compared with \$88,622,000 in 1946. This is the challenge facing American business.

Presidential Candidates and the International Outlook

THE presidential race is getting more and more exciting. New uncertainties enter the picture. On the Republican side, Harold E. Stassen has shown remarkable strength with the people. Yet he still faces the handicap of the old-guard party leaders, who appear willing to support him only if he shows overwhelming popular support, or if the Democratic candidate looks so threatening as to require Republican concessions to the middle-ground vote.

There are chances of both these things. Mr. Stassen's campaign is really rolling. He has a tremendous popular appeal. His youth, his vigor, his forthrightness are all very potent factors. There is a big and effective youth vote in the United States, something the politicians often forget. Mr. Stassen

has most of it with him. While he is not likely to enter the Philadelphia convention with more pledged delegates than one or two other candidates, there are chances that his strength will grow and take on band-wagon size.

But these are still only chances. The party leadership still controls a very large group of delegates, and if they are determined to resist Mr. Stassen then the chances of compromising on Senator Arthur H. Vandenberg look overwhelming. Indeed, Senator Vandenberg is very strong in his own right. His maturity and experience are favorable factors. His international attitude suits the country. So do his poise, his humour, and even the fact that he is not campaigning with the obvious fuss and fury of some other candidates. He would be acceptable enough to the old-line party leaders, although the more conservative among them would prefer Senator Robert A. Taft or Speaker Joseph Martin. The latter two are generally isolationist, generally reactionary. There is practically no likelihood of their nomination for the first place, although Speaker Martin has a real and disquieting chance for the vice-presidency.

The biggest new uncertainty of the situation—and a factor which throws grave doubts into Republican planning—is whether or not enough pressure can be put on General Eisenhower to make him accept the Democratic nomination. If President Truman is the Democratic candidate—and up to a few months ago this was a foregone conclusion—there seemed no doubt of a Republican victory, at least with a reasonably strong candidate. But now there is a southern revolt against President Truman because of his liberal attitude toward civil rights for negroes. Many Democrats are striving vigorously to organize a "Draft Eisenhower" movement. The retired General—he is now President of Columbia University—declined to be a candidate for the Republican nomination in categorical terms which applied to either party. But there is always the chance that the national and world situations will look so grave that General Eisenhower might be willing to reconsider.

The difficulty for the Republicans is that their nomination comes in late June, and the Democrats' in mid-July. Thus, the Republicans will not know for sure whether they must make concessions to the middle and the left by nominating a candidate like Mr. Stassen. For they will not know whether the Democratic nominee is to be President Truman or General Eisenhower.

If the Republican choice were either Senator Vandenberg or Mr. Stassen, and the Democratic candidate were General Eisenhower, the country would face a very difficult decision. Indeed, it would be impossible to say in advance wherein these three candidates would differ. The principal difference would lie in the parties behind each nominee. For as far as has been known, there is no substantial divergence in the domestic or international thinking of these three men. Indeed, little is known of General Eisenhower's thinking on strictly national problems. His nomination would be a tribute to his character and war-time achievement, a proof that the nation has great confidence in his qualities and personality without knowing very much about their exact translation into policies. There is no doubt that General Eisenhower has high political talent and appeal.

So, indeed, have Senator Vandenberg and Mr. Stassen. What the situation proves above all is that dominant national opinion of the United States has come very far indeed from the old isolationist days. The leading candidates, and to their number, of course, should be added President Truman himself, are all more or less liberal internationalists. They are all more or less world-minded men, more or less men of the future. They are intelligent and alert men, without demagogic tendencies and cheap nationalistic tricks. They are a great testimony to the democratic process, as it has been grinding along in these days of stress.

President Truman has been acting in a free and energetic manner in recent months. Evidently he has made up his mind that he does not care whether or not he is renominated, that he will make no concessions to mere political expediency, and that the best course for him—indeed, the best political course as well—will be to ignore politics and do what seems substantively right. This explains, in part at least, the inglorious and politically disastrous retreat on Palestine partition. The mistake here, of course, was made long ago. Reversal should have been unnecessary. But mere politics would have argued against reversal. Similarly, the President's position on civil rights is courageous but politically questionable, at least on the short-range view. This new trend will probably add to Mr. Truman's stature and his place in history, whether or not it renominates him.

Henry Wallace's campaign continues to be dominated by Communist party-line thinking and action. The hand of astute, hard-working, and dogmatic Communists is often revealed in his speeches or those of his colleagues. This fact is becoming better known, and tends to cut down Mr. Wallace's support. Nevertheless, a substantial minority of Americans is so anxious to avert a third world war, so dissatisfied with prevailing policy toward Russia, that they continue to support Mr. Wallace.

This is largely an emotional kind of support, but it is real all the same, it is very sincere, and it may add up in some states to a substantial vote. If this vote is deducted from what would otherwise have been Democratic totals, it may be enough to elect the Republican nominee. But it is not certain that the deductions will all be from the Democratic side. Mr. Wallace also has the inconsistent support of right-wing isolationists. They would otherwise have voted—if they could—for someone like Senator Taft or Speaker Martin.

At any rate, Republicans are no longer assuming that Mr. Wallace's candidacy insures a Republican victory. They are not prepared to nominate an arch-reactionary, for they know now that his election would be highly uncertain. Nor are the Democrats willing to make any concessions on Russian policy in order to induce Mr. Wallace to withdraw. As time goes on, the Wallace movement loses more and more of whatever genuine moderate liberal support it might have had and becomes an unholy combination of the extreme left and some of the extreme right. This is not a healthy third-party movement and is likely to lead nowhere except to disaster. It will certainly not dominate the elections, nor hold a balance of power.

United States of America,

May 1948.

THE SPANISH FOR "MONROE DOCTRINE"

THE BRITISH POSSESSIONS IN THE LATIN AMERICA AREA

IT is significant of the low level of British interest in Latin America that the recent challenge to our possessions in that area and in the adjacent seas came as a shock. Yet the disputes with Guatemala over British Honduras and with Argentina over the Falkland Islands and the Dependencies were old; and though the Chilean claims in Antarctica were almost brand-new, yet even they had been advanced in 1940 and reiterated in 1946, when the Chilean Foreign Office announced the dispatch of a naval expedition "to establish contact with the most remote corner of the national territory".

The Claim of Guatemala

IT is convenient to deal first, though necessarily shortly, with the respective territorial claims. In 1821 the area known as the Captaincy General of Guatemala, which included the present five Central American Republics and the present Mexican province of Chiapas, proclaimed its independence. For about a year, in 1822-3, it was incorporated in Iturbide's Mexican empire. Thereafter a federal Central American State (excluding Chiapas) maintained a precarious existence until 1838, when it dissolved into its component parts. At that date the *de facto* settlement of British Honduras, which is bounded on the west and south-west by Guatemala, had been extended to its present southern boundary, the Sarstoon River. It had originally been a settlement of logwood and mahogany cutters who had no title to the soil, sovereignty being reserved to Spain in the treaties of 1763, 1783, and 1786. During times of Anglo-Spanish tension there had been Spanish attacks on the settlement, and on several occasions the settlers had been dispossessed. The last and largest of these attacks was beaten off in 1798, but the title remained a matter of doubt. The settlers were pressing for the explicit recognition of British Honduras as a Crown colony; but the British Government inclined to the view that the title was still vested in Spain and in 1835 formally suggested a formal British acknowledgement of the Spanish title, to be followed by a formal Spanish relinquishment to Britain. The Spanish Foreign Office neither accepted nor rejected this suggestion. It simply ignored it. Eventually, in 1862, British Honduras was formally recognized by Proclamation as a British colony. In the meantime, the Central American Confederation, which claimed to be the successor in title to Spain, exerted some slight and intermittent pressure to secure the withdrawal of the frontier of British Honduras from the Sarstoon to the Sibun. Nothing came of this, and in 1859 an Anglo-Guatemalan treaty was concluded which settled the present boundaries of British Honduras. Article VII of the treaty bound the signatories

"conjointly to use their best efforts by taking adequate means for establishing the easiest communication (either by means of a Cart Road or employing the rivers,

or both united according to the opinion of the Surveying Engineers) between the fittest place on the Atlantic Coast near the settlement of Belize and the Capital of Guatemala".

Captain Wray of the Royal Engineers made a survey in 1860 and reported that a road could be built from Guatemala City to Izabal in four years at a cost of £145,000; but dissension at once arose, Britain declining to pay more than half the total expenses, while Guatemala, which lacked revenue, offered to provide the materials and recruit the labour on condition that Britain provided the technical direction and the funds. In the event the road was never built and, in fact, no one wants such a road to-day. Adequate connexion between the interior of Guatemala and the Caribbean coast exists in the railway from Guatemala City to Puerto Barrios and the road between the same two points which was built during the late war. On the other hand, the obligation of the two parties under Article VII remains unfulfilled. The intermittent negotiations showed Britain standing for a strict interpretation when, in the 'sixties, she might have settled the whole affair by a small cash payment; and, from 1933 onwards, a rather startling rise in Guatemalan claims, which culminated in a Note of February 3, 1940. This Note ostensibly accepted one of the methods of arbitration proposed by Britain, but in effect rejected all arbitration by declaring that the treaty of 1859 had lapsed through failure to implement Article VII. In these circumstances Guatemala felt at liberty to put forward its claims as "the successor of Spain" to the whole, or at least to the southern half, of British Honduras. In March 1941 President Ubico announced his intention of proceeding no farther with diplomatic negotiations while Britain was engaged in war; but an assiduous propaganda was maintained to secure the sympathy of the other Central American States and of the U.S.A., as well as to stimulate interest within Guatemala itself. It bore its fruits in the events of February of this year, when two British warships had to be sent to Belize, and troops landed to defend the colony against a threatened Guatemalan attack.

Argentina and the Falkland Islands

THE dispute over the Falkland Islands has an even longer history. They were sighted, in or about 1592, by an English sea-captain, Davies, and thereafter by ships of various nationalities, so that they became known to the French as the "Malouines" and to the Spaniards as the "Malvinas": the British name dates from 1690, when the first authenticated landing was made by Captain Strong. The first settlement was French, that of Bougainville, who founded Port Louis in East Falkland in 1764. In the following year Commodore Byron took formal possession of West Falkland and established Port Egmont. In 1767 the Spaniards took over the French settlement and obliged the British at Port Egmont to capitulate in 1770. In 1771, however, the British garrison returned, without prejudice to the right of sovereignty, only to be withdrawn again in 1774.* The Spaniards did not themselves

* Dr. Johnson's pamphlet of 1771, defending against Junius and others the policy of the Government in accepting the Spanish withdrawal from West Falkland without insisting on a renunciation of Spanish sovereignty, has been reprinted this year by the Thames Bank Publishing Company, price 2s.

colonize West Falkland, and the few settlers in East Falkland were withdrawn by the Buenos Aires Government in 1811. In 1820 the Government of what was known as the "United States of South America" sent a frigate to take possession, and in 1823 an unsuccessful effort was made from Buenos Aires to establish a settlement. In 1823 Louis Vernet, a naturalized citizen of Buenos Aires, did succeed in founding a settlement and was consequently appointed governor by the Buenos Aires Government, which, in 1829, laid formal claim to the islands. It is important to notice that the act of this government was disavowed by its successor. Vernet, however, remained, arrested three United States ships for alleged breaches of seal-fishing regulations, and took one of them, the *Harriet*, into Buenos Aires as a prize. The United States regarded the islands as a *terra nullius* and Vernet's act as piracy; and a warship sent for that purpose broke up the Argentine settlement in December 1831. Britain, which had protested against the Argentine claim of 1829, dispatched a squadron which occupied Port Egmont on December 20, 1832, and compelled the governor of the small Argentine garrison at Port Louis to surrender on January 3, 1833. The Argentine Government made formal protests in 1833 and 1834, and in 1841 made the suggestion, which was rejected, that East Falkland should be returned to Argentina. The Argentine claim has been reiterated at intervals since that date, with increasing strength of recent years. The substantive British claim is based on continuous possession since 1832-3, although the argument that the islands were a *terra nullius* in 1832 has also been adduced in support.

The Falkland Islands Dependencies

THE dispute regarding the Falkland Islands Dependencies has a much shorter but even more complicated history. The complications, however, begin late and the dates of original discovery are well settled. South Georgia and the South Sandwich Islands were discovered by Captain Cook in 1774; the South Shetlands by William Smith in 1819; Graham Land by Edward Bransfield in 1820; and the South Orkneys by George Powell in 1821. Administrative acts such as the granting of whaling licences were performed, but it was not until 1908 that Letters Patent created the Falkland Islands Dependencies; subsequent Letters Patent, issued in 1917, redefined the area as that between 20° and 50° West, south of 50° South, and that between 50° and 80° West, south of 58° South. No Argentine claim was made until 1927 and no Chilean claim until 1940. The Argentine claim on the Falkland Dependencies is naturally based in part on the claim to the Falklands themselves. In this it differs from the Chilean claim, but each is based also on the argument that Antarctica is a geographical extension of the South American continent and each adduces in support what may be called "squatters' rights".

Those of Argentina are dated from 1904, when an invitation was given to the Argentine Government to send four scientists to take charge of the observatory which had been established on Laurie Island in the South Orkneys by Dr. W. S. Bruce and which lacked adequate British financial support for its maintenance. The scientists were duly dispatched and the

observatory has been so maintained ever since. It is on this fact that Argentina bases a claim of continuous occupation; although it is difficult to see, in the first place, how the presence, by invitation, of a group of scientists can constitute effective occupation; and how, if it does, a much longer occupation has failed to validate the British title to the Falkland Islands. By 1947, however, Argentina's claim was full-blown, both to the Falklands and to that part of Antarctica lying between 35° and 75° West.

The Chilean claim to the Antarctic area between 53° and 90° West obviously conflicts with the Argentine; and it is supported by even less in the way of continuous occupation, for the Chilean whaling company which operated in the South Shetlands and Graham's Land did so by virtue of a British licence granted in 1907. It was not, indeed, until November 6, 1940, that the Chilean claim was made, formally or otherwise, and beyond sundry amendments in Chilean maps and text-books nothing more was done during the presidency of President Rios. In 1947, however, a settlement (which included a meteorological station) was established by the Chilean authorities on Greenwich Island in the South Shetlands, named "Soberania", and the scene of the presidential visit in 1948. It was upon his return from this visit that President Gonzalez Videla announced that "from to-day Chile extends from Arica to the South Pole".

Although it is impossible to prove, and perhaps imprudent to doubt, that valuable minerals exist at some places in the six million square miles of Antarctica, nothing of any significant value has been found so far. The whaling industry, which does not depend upon any territorial claim, remains the main, if not the sole, economic asset. Similarly, neither the Falkland Islands nor British Honduras can be said to be an object of desire on account of economic wealth. The challenge to our title to these possessions, which has since been extended to all European possessions on the Latin American continent, is not based on the most obvious form of cupidity. Its origins go a good deal deeper than that, and are probably of more importance than the respective claims which have been summarily reviewed above.

The Foothold of the Old World in the New

THE present possessions of European Powers in the Caribbean as well as in the Latin American area are, historically, the residuum left from the efforts of the Old World to conquer and hold the New. These efforts were greater and, temporarily, attained more success than is sometimes remembered. In the middle of the seventeenth century the Dutch held most of what is called to-day the "bulge of Brazil" as well as a dominating position in Latin American trade. Vague though enthusiastic schemes for the permanent occupation of part of the South American mainland were included in the numerous British plans of operation during the war with Spain which began in 1739. A century before this the attractions of buccaneering, trading and logwood-cutting had resulted in the establishment of scattered English settlements on and along the Caribbean coast of Central America. We have noticed that at Belize, which ultimately became British Honduras; others were in Yucatan, in the Bay Islands and along the Mosquito Coast, a belt of

territory covering an area roughly triangular from Trujillo on the north coast of Honduras to the San Juan River in Nicaragua. In 1786 Britain withdrew from all these settlements except that at Belize; but after the dissolution of the Spanish American empire British ambitions revived. Ruatan, the largest of the Bay Islands, was occupied in 1839 from Belize, and the Bay Islands were proclaimed a British colony in 1852. In 1844 a British Resident was appointed for the territory of 'Mosquitia'; in 1847 the Mosquito King was formally taken under British protection; and in 1848 a British squadron forced the mouth of the San Juan River and penetrated to Lake Nicaragua. These activities awoke fears in the United States, where the trans-isthmian route across Nicaragua had become a matter of interest. The Clayton-Bulwer Treaty of 1850 was, in effect, a compromise between Britain and the United States, aimed at neutralizing the isthmus. In the United States it was regarded as too favourable to Britain, but in fact this was the high-water mark of British influence in Central America. In 1859 the Bay Islands and the Honduran section of the Mosquito coast were transferred to Honduras: in 1860 Britain recognized Nicaraguan sovereignty over the remainder of the Mosquito coast, subject to concessions to the Mosquito Indians which Britain supported, with decreasing enthusiasm, until 1905. Two other developments completed the alteration of the Central American picture to Britain's disadvantage. One was the Hay-Pauncefote Treaty of 1901, which gave to the United States the exclusive right to build and maintain a trans-isthmian canal: the other was the growth of the United Fruit Company which became, in reality as well as in name, a sixth Power in Central America.

Henceforward, then, the European colonies would not be extended: would they be diminished and disappear? Between the time of the Venezuelan crisis in 1895 and 1940 it seemed that they had, on the contrary, reached a haven of tolerance, if not of oblivion. The fall of France and the Netherlands in that year and the possibility that Britain might be successfully invaded led to the further possibility that some of the European colonies might pass into German hands or under German influence. At the Havana Conference of Foreign Ministers of the American States in July 1940 it was resolved to take steps to prevent such transfers of sovereignty, and a provisional administrative system was drawn up ready for application. As things turned out it was never applied, but the lesson of the Conference remained: the equilibrium of 1895-1940 had been disturbed; and henceforth the European possessions were likely to be the objects of more continuous regard on the part of the American States as a whole.

The stage from the Havana Conference of 1940 to the Bogotá Conference of 1948 is dominated by one thing, the steady and rapid development of Latin American nationalism. It is that which led to the incidents of 1947-8, with Chilean nationalism fanning that of Argentina and the Chilean-Argentinian demonstration reviving the ambitions of Guatemala. The question is, will these incidents be no more than that, or do they herald the disappearance of European sovereignty from the Latin American if not from the Caribbean area?

It is highly improbable that anything of this sort will happen. For one thing, the Latin American "front" on this policy, though it may occasionally seem solid, is in fact very difficult to maintain. We have seen how the present claims of Chile clash with those of Argentina in the Antarctic; and it is certain that Mexico would not allow British Honduras to be ceded to Guatemala without making a substantial claim in its own interest. More important, however, is the attitude of the United States. Obviously, if it wanted to, the United States could put sufficient pressure upon the European Powers to make it very difficult for them to maintain their territorial rights in these areas. Equally obviously, the United States, acting officially, has learnt to appreciate the quite unnecessary disturbance in its relations with these States which such a policy would involve.

The Bogotá Conference

THE proceedings of the Bogotá Conference on the whole support these conclusions. Admittedly, Latin American nationalism was even more vociferous and the restraint exercised by the U.S.A. less immediately effective than might have been expected or desired. To the Guatemalan resolution against "colonialism" Argentina added an amendment to the effect that "colonization and *de facto* occupation" should be ended. The Guatemalan Minister of Foreign Affairs said that his country was living with a dagger in its chest; but the prize was carried off by Sr. Betancourt, who advanced Venezuelan claims to the Guianas, Trinidad, Curaçoa, Aruba and Bonaire. He demanded that a plebiscite should be held in the "colonial" territories, the inhabitants to have the right to choose between autonomy and inclusion in an American State but not the right to vote for continued existence as British, French or Dutch subjects. On April 22 Mr. Marshall said that the colonial issue did not properly belong to the Bogotá discussions and that the U.S.A. would not support any resolution which appeared to prejudice the case against a "friendly nation". On a resolution repudiating the existence of European colonies in the western hemisphere the U.S.A., Brazil, Chile and the Dominican Republic refrained from voting. The Final Act of the Conference, however, signed by the twenty-one republics, condemned the retention of European colonies in the Americas and passed on further study of the question to a meeting to be held in Havana in September or later. It would seem that, apart from Mr. Marshall's intervention, the U.S. delegation tried to keep the issue out of court or, at least, to form a *bloc* sufficient to balance that led by Argentina. In these efforts it failed. It remains to be seen how far the Latin American nations intend to pursue their quest, extended as it now is to quite absurd lengths. It is very much to the interest of the United States that they should be content with the enunciation of their claims. The United States is itself, while in possession of Puerto Rico, a colonial power in the Caribbean; and—far more important—any support which it gave to the dispossession of Great Britain, France and the Netherlands would be an invaluable argument for those who hold that American imperialism is more dangerous than Russian.

UNITED KINGDOM

SUITORS FOR THE MIDDLE CLASS

THE last review of United Kingdom affairs ended with a series of question-marks. Were we going to get Marshall aid? Was the Communist offensive going to bully and bluff its way to the North Sea, the Channel and the Mediterranean? Was the Labour party going to maintain its hold on the middle classes? Was Sir Stafford Cripps going to make a better job of planning than Mr. Dalton? We can see a little farther into these puzzles now than we could then.

Let us take home politics first. A by-election in North Croydon, mainly a dormitory constituency, which the Conservatives only just held at the general election, returned a Conservative by a thumping majority of over 10,000. This result was not so unfavourable to the Government as it looked. Their candidate, Mr. Harold Nicolson, was a brilliant writer, a recent recruit to the Labour party, which he joined apparently in order to help in saving Mr. Bevin from stabs in the back. This pleasant and punctilious but slightly arid and aging aristocrat would make an engaging candidate for any party, but a good candidate for none. Nevertheless, he increased the Labour poll by 2,000, and mathematically speaking the North Croydon election which his party lost was better than the Gravesend election which they won.

It is, however, true that the two main parties are engaged in a struggle for the allegiance of the middle class. The Liberals are out of the hunt, and have unfortunately become a political museum-piece with lovely lines but little utility. It was perhaps inevitable that a Labour Government in power and not merely in office should produce something like a class war. That has, indeed, long existed in Scotland and particularly in the city of Glasgow. (The writer remembers an election nearly twenty years ago in that city when ragged urchins used to run round shrieking "Vote Labour, and be treated like a gentleman at the burroo"—"burroo" being a Clyde crasis for unemployment bureau.) So far, most of England and Wales has been exempt, to the very great advantage of British politics. There has been plenty of hard hitting, but a background of reciprocal respect and tolerance which has greatly facilitated continuity of policy in matters when continuity is desirable.

It does seem that this atmosphere is changing. Even in the field of foreign policy, where on the whole Mr. Bevin has commanded all-party support, an element of untouchability between the two sides is creeping in. For example, Mr. Churchill organized an international meeting at The Hague in May to advance his project for a European Union. This is certainly parallel to, if not converging with, the policy of Western Union adopted by Mr. Bevin. Yet the Labour party officially discouraged attendance by its members at The Hague Conference. It really would be absurd to persist in trying to make this significant change in British foreign policy from a

national to a European basis into a party preserve. Moreover, the Labour party's frown on The Hague Conference had one rather comically embarrassing consequence.

The Nenni Telegram

THE political struggle in Great Britain, as already stated, is becoming a struggle for the allegiance of the middle classes. That is one of the reasons—there are others such as the natural dislike of those in control of the Left for their would-be supplanters—for the Labour party's campaign against Communism. But there is a section of the party still wedded to the political line-up between Left and Right. This section does not understand that Communism is the farthest to the Right of all the "isms", having reached the last stage in the gloomy cycle of reform—revolution—dictatorship. It follows that this section of the Labour party hankers perpetually after some kind of Popular Front of proletarian lambs against Tory wolves. Some are also influenced by the view that it is possible, by something very like appeasement, to make terms with Soviet Russia. Therefore, in the obvious clash taking place in so many European countries between Communism and parliamentary democracy, these people are inclined to support or at least to excuse the Communist side.

The Italian elections on April 18 were widely recognized as an important and perhaps decisive episode in the Communist European offensive. During the election campaign the official Italian Socialists, undeterred by the example of Czechoslovakia, allied themselves to the Communists. This decision caused a section of Socialists to break away from their party and ally themselves to the other side. The British Labour party made it very clear that they supported these dissidents. The world was therefore electrified to learn, on the eve of the elections, that between thirty and forty British Labour M.P.s had sent a telegram of good wishes to the pro-Communist Socialists.

This telegram was the work of the same little group who have practised the art of pin-pricking Mr. Bevin with great consistency. There were also some queer things about it. A number of the reputed signatories declared that they had never signed at all. One said that he had signed thinking the telegram was intended for the other and the correct brand of Italian Socialists. These flurries gave the impression either that the organizers of the telegram had been very light-hearted in their methods of collecting signatures, or that some M.P.s are very light-headed about what they sign. The Opposition, therefore, felt justified in claiming that the incident reflected upon the House of Commons as a whole. The Government contended that it only concerned party discipline. But then, of course, the question arose, what discipline? Were the offenders to be expelled? If so, how did they merit expulsion more than those who had announced their intention, despite the party's frown, of going to Mr. Churchill's Conference at The Hague? It was a very pretty dilemma! It can hardly have been resolved by the disciplinary measures actually adopted. One M.P., Mr. Platt-Mills, was expelled from the party, and twenty-one others asked to sign a guarantee of future conformity. This would present no difficulty to a real Communist, since the Communists are

taught that their end justifies any means. Moreover it cannot prevent others from continuing to agitate within the party for a change of foreign policy.

The important question is, of course, whether this absurdity portends a split in the party. There is, indeed, a definite split inside, but if there is one thing more than another upon which the Labour party is determined, it is that no split shall show on the surface. This is not so difficult as it seems. There are profound differences within all parties, even though they do not show so much here as in other countries with different electoral systems, such as proportional representation. The astute party managers of the Labour party are naturally anxious to prevent the emergence of any new very Left party; just as their counterparts in the Tory party would dislike the emergence of some new party of the extreme Right. We have often seen parties carrying on for years with restive, but condoned, tails. We shall probably see the Labour party doing the same. The only trouble is that those who ignore crevasses generally end by falling into them. In the present case, too much tolerance of the Platts-Millses, the Zilliacuses, &c., would end by losing the support of the middle classes, and that would spell electoral disaster.

The Budget

PASSING from politics to economics, the next point to examine is how Sir Stafford Cripps has progressed in his double rôle as Chancellor of the Exchequer and Minister of Economic Affairs. It is admitted on all hands that he stands out from among his colleagues as a whale among minnows. But is he a whale or a shark? Prior to the budget an almost savage consistency in telling the naked truth encouraged the hope that an objective Daniel had come to judgment. Our Chancellor seemed to dislike theories as much as he did meat and to love facts as much as lettuce. Most of his budget was indeed constructed on these lines—he arranged for a real surplus on current account instead of the false surplus on all accounts of which Mr. Dalton boasted—but there were a couple of rather repulsive slugs in the salad.

The first was that there has been no real attempt to prune public expenditure; and yet it is elementary that if inflation is to be repulsed, public economy is one of the best ways to repulse it. The second was the imposition of a special surtax on unearned incomes over £500, which is admittedly a capital levy. Such a tax is contrary to the whole spirit of the budget. It discourages saving, when there are frantic appeals for more saving. It is wholly arbitrary and unjust, at a time when it was never more necessary that all classes should feel the justice and inevitability of the taxes they pay. Though ostensibly limited to one year only, the tax has been gleefully hailed by many Socialists as a recurrent and expansible weapon. No one gloated more over the prospect of a really substantial capital levy than Mr. Dalton, who seems to fancy himself out of office as a spokesman of the extreme Left. The new tax has had the desired temporary effect of making the budget palatable to this section of the Labour party, but it is disappointing to find the Chancellor feeling himself obliged to hand out such a sop. It seems clear that he was paying the price for a refusal further to slash profits. He had called on the trade unions not to press wage claims, so as to help in

holding and even in lowering prices. The embarrassed response was that they would do their best if profits were also pegged. The Chancellor thereupon pointed out that 60 per cent of profits were already taken in taxation, but appealed for a voluntary limitation of dividends. The response was practically universal; but this, of course, cannot satisfy believers in the theory that all profits are immoral. Many large wage claims are being pressed, and the T.U.C. are understood to contend that, failing some dramatic offensive against capital, they cannot succeed in checking the demands of labour.

Mr. Marshall's Manna

IN general, however, the economic situation has been saved by the unexpectedly swift passage of Marshall aid through the American Congress. It will not be enough to square our balance of payments, but it will temper the wind to shorn lambs, and give the Government a chance to get its second wind. Politically speaking, it has saved the Government from having to do a great many unpopular things; and from their point of view could appropriately be known as Marshall manna. It must, however, be added that the Government seems determined this time not to use American money to relax British austerity. The only sign of largesse is the promised restoration of a small basic petrol ration on June 1, and that is to be done out of what we have been getting and not out of larger supplies. The petrol for the ration is to be obtained mainly by eliminating the black market in petrol, against which a most drastic Bill has been passed. There seems no reason at all why if the black market can be suppressed now it could not have been suppressed a year ago. Moreover, the ration is not only tiny but queerly allocated. Those who have been getting petrol for essential purposes will not get a drop more. They will be allowed to use part of their allowance for unessential purposes. Therefore, either they ought not to have been getting so much as they did before, or they will not do their essential business, or they will get no concession at all. This is the sort of illogicality which comes from the philosophy that nobody ought to have what everybody cannot have.

It is clear that nobody is going to have very much. This year we shall be getting £331 million in Marshall aid spread over the things which, according to the report of the Paris Conference, we said we wanted. Our adverse balance of trade is at present still running at about double that figure. Exports are rising, but so are imports. It remains to be seen whether this position can be corrected. The great and abiding difficulty seems to be that there is a limit to what the dollar area will take from us, and that this limit is below what we must take from them. The writer personally thinks that the best hope of striking a balance in our trade at a level which will maintain a decent standard of living lies in the economic aspects of Western Union. The countries concerned, together with their colonial territories and with the British Empire, could be made into a healthy economic unit. This will take time; but it seems to be the only promising path out of the slough of adversity and austerity. Even this path can only be trodden on the assumption that everybody gives a fair day's work for a fair day's pay, for price is entering more and more into the possibility of selling abroad.

The Rigour of the Game

IT was remarked during the last review that the feeling between parties was fundamentally tense. The evidence of this has been accumulating. At the outset of this Parliament there was a certain tolerance towards projects of nationalization. Those concerned seemed so relieved that they were to get compensation for expropriation that their main anxiety seemed to concentrate upon the terms of compensation. But the compensation stocks have gone to a substantial discount. The incomes of holders have been heavily cut compared with what they were before. The Opposition, in committee on the Gas Bill, have gone so far as to talk of "swindling". The trouble is, of course, as might have been foreseen, that the gilt-edged market is overloaded. Money and securities are like other commodities. The more there are of them, the cheaper they tend to become.

The next point of bitterness has arisen over the Representation of the People Bill. The origin of this measure was an all-party conference held under the chairmanship of the Speaker during the war. The main purpose was to re-draw constituencies so that each should contain an approximately equal electorate, but other agreements (reflecting, of course, compromises between the parties) were also reached. They included maintenance of special representation for the City of London and the Universities. The Bill, however, abolishes both the City and the University seats. The Opposition contends that these provisions are a breach of faith. The Government retorts that no Parliament can bind its successors, and that the Socialist faith requires that no citizen should have more than one vote. Of course, what ought to have been done at the very least is to call another Speaker's Conference. The omission to do so has damaged a valuable feature of our parliamentary machinery, and caused real resentment in the Opposition.

Again, it will be remembered that very similar resentment was caused by the Government's proposals for further truncating the powers of the House of Lords. Feeling ran so high that the Government finally agreed to suspend the Bill while an all-party conference tried to reach agreement. This conference broke down. The actual cause of rupture was that Socialists and Liberals offered to make the delaying power of the House of Lords a period of nine months from the Third Reading of a Bill in the Commons, whereas the Conservatives would not agree to less than twelve months. The real cause was a "fundamental divergence of principle", namely, that Conservatives believe that the Lords have no effective function if they have less than the power to delay any highly controversial Bill introduced after the third Session of a Parliament beyond the time of the next General Election; whereas the Socialists (with next year's programme in mind) believe that the Commons ought to be able to force through all the fourth Session measures. It is a great pity that the conference broke down because all parties had agreed to recommend a highly interesting and constructive basis for changing the composition of the Lords; but it is not true that the conference broke down on a small point.

A last point of bitterness—more strictly between professions than between parties—has happily been cleared up. A plebiscite having shown Mr. Bevan

that he had properly put up the backs of the doctors, he made considerable concessions to them, and more important still, showed that his rather prickly character has a charming, conciliatory, and constructive side. In consequence a second plebiscite showed so small a majority of doctors against working the National Health scheme that the B.M.A. advised acceptance subject to continued negotiations on outstanding points. The scheme will thus start in July with the necessary *personnel* though still far from the necessary *matériel* in the shape of beds and buildings.

It seems therefore to the writer that the gulf between Government and Opposition is deepening and widening and at the same time a gulf is opening between the Left and Right wings within the Government. The fissured edifice of the Labour party will not, he thinks, fall apart, but it is quite uncertain whether the Left part will sway towards the Right, or the Right part towards the Left. There has been one remarkable incident which seems to show that the Left is really the weightier. The hardy annual of capital punishment came up again on the Criminal Justice Bill. The Government were well aware that the Left favoured its abolition, but they were also convinced that abolition would be untimely when the police were far below establishment and there was something like an epidemic of crimes of violence. They therefore reached the flabby decision to allow a free vote on the matter to the rank and file, and to tell Ministers that if they could not approve the retention of capital punishment they might abstain. It was expected that this attempt to get the best of both worlds would ensure a small majority for retention, but the majority proved to be the other way. Capital punishment is not a party question, and a few Conservatives and Liberals also voted against it. But it is a question upon which the Government of the day cannot possibly disclaim responsibility, and the course pursued by Ministers makes them appear weak to the point of irresponsibility. It seems likely that the Lords will give the Commons a chance to think again.

Great Britain,

May 1948.

NORTHERN IRELAND

PARTITION is so perennially a subject of contention in Ireland that only occasional sidelights can justify its reappearance in THE ROUND TABLE. Such sidelights are to be seen, perhaps, in the rise of a Coalition Government in Eire and Mr. De Valera's launching of another effort to give international prominence to the issue. The latter event may have questionable significance, but it has undoubtedly caused a reaction among Ulster Unionists, who, in a characteristically defensive way, see the reopening of pre-war attacks on their position.

To others, however, the agitation has an element of make-believe. For example, it would have more meaning if the new leader were inspiring the campaign rather than one who failed to remove the border during his own period in office. Yet Mr. Costello's St. Patrick's Day broadcast, by custom an annual *cri de cœur* for Irish unity, was in more reasonable language than any heard during the rule of Fianna Fail. There were, indeed, subtleties in

this address vaguely disturbing to Unionist minds, which are inclined to be more dubious of their opponent's persuasion than of their polemics. If nothing else, Mr. Costello's words showed the first requirement of unity, an awareness of the cleavages which are the cause of Partition.

But Mr. De Valera's has been a very different voice. Throughout his visit to the United States he has spoken in terms most likely to nullify any favourable or constructive impression that may have been made by his successor. There was a time since the war when Mr. De Valera, temporarily forgetful of the effects of his own separatist policy, acknowledged the need for a concurrence of wills between North and South, but this indisputable line of thought has been abandoned and the theme of his tour has been that Britain alone is responsible for the division. This may be an attitude certain of a popular response, but it can do nothing to bridge what is an all too real gap between two peoples. All who are genuinely anxious for political accord in Ireland must regret its readoption by one who has not learned the lesson of his own experience. This continued failure to recognize the vital differences between the two parts of the country might be summed up at this stage as exhibiting more of the game of electioneering than the art of statesmanship.

To return to Mr. Costello, it has not been unnoticed that in his speeches as Prime Minister no room has been found for a reference to an Irish Dominion as a basis for negotiation. This has been avowed by his own party; but the mixed membership of the Cabinet, including as Minister for External Affairs an extreme Republican, presumably has counselled discretion. What bold *démarche* might come from Fine Gael should it ever be returned with a clear majority remains one of the most intriguing possibilities of the future.

Other events have also served to put Unionists on guard. At Westminster a vocal group of M.P.s with Irish affiliations has lost no opportunity to criticize conditions in Northern Ireland; and its Labour background has tended, one ventures to say wrongly, to lessen confidence if not in the British Government in its supporters. There is no ground for the fear that Mr. Attlee and his colleagues may precipitate a reopening of the Irish problem. Obviously, Socialism has enough to do without that. The trouble is that Ulster zealots are over-impressed with the power of the Imperial Parliament to repeal the Government of Ireland Act when, in fact, this would be contrary to constitutional usage and, from a practical point of view, it could not be done effectively without the consent of the Parliament in Belfast.

It is hardly too much to say that some complex formed by years of self-defence prevents the mass of Unionists from realizing the strength of their own position. Short of arbitrary methods which Britain could not countenance, only the loss of an electoral majority can bring about a disturbance of the present settlement. Nor on this crucial question is there any sign of a wavering of the Unionist vote: in the recent Co. Armagh by-election it was as solid as ever. It may be put forward, therefore, that it matters little that Mr. De Valera should stump America and that the Unionist party, too, should be seeking to rally overseas support. These manoeuvres can have no more direct influence on the outcome than the cheers of rival crowds on the result of a football match.

The unreality of the attempt to arouse feeling is also suggested by the relative lack of enthusiasm for the anti-Partition movement among Nationalists in Northern Ireland. It is hard to see in the political activity of the minority, though no one will deny the firmness of their sentiment, any conviction that the border must be abolished as a matter of urgent necessity. At elections they vote conscientiously; Co. Armagh is equally a case in point, yet between times there is a tacit preference for the higher standards of living and employment found under the existing arrangement.

But, though the positive results of the anti-Partition campaign are likely to be of little account, the negative results may be serious. The co-operation towards which both sides have begun to look is a tender plant requiring for its growth a long period of mutual understanding; and even those contacts which now take place at the administrative level may not be able to survive open political dissension. As was said in another connexion in the last issue of *THE ROUND TABLE*,* ill-conceived demonstrations against Partition "merely make more feasible kinds of union recede".

The Northern view remains that loyalty to the Crown is paramount (the place of a republic in the Commonwealth is dismissed as a casuistry); that failing full membership of the United Kingdom there must be complete economic unity within the British Isles; and that such things as the compulsory teaching of the Irish language and literary censorship cannot be accepted. And even should those objections be met there are deeply underlying religious differences. Whether or not these can ever be overcome, it must be recorded from the Northern Ireland standpoint that until an approach is made along the line of full adherence to the Commonwealth, with a renunciation of neutrality and the safeguarding of a free entry to the British market, no plan for the ending of Partition can have even a distant prospect of success.

One proposition still has a certain relevance. It is that by acquiescence in reunion Ulster can win Irish friendship and support for Britain. Some germ of hope of better things may well lie in this argument; but Ulstermen, more practical than visionary, insist on prior evidence of a change of heart among the majority in Eire. It is an historical criticism of Unionists that they have not advanced their British mission by more imaginative policies; but it goes beyond the bounds of practical affairs, at least in Ireland, to propose that they should hazard many material advantages for what may be a will-o'-the-wisp.

Paradoxically, perhaps, it is those on both sides of the border most wishful for true amity and prosperity who have the surest realization of the differences in character and outlook that must first be resolved. All who know what must be done before Ireland is ready to be united are one in their opinion that incitements against Partition at home and elsewhere can only serve narrow party ends and make no contribution to the lasting peace of the country. Economic and social problems are far more pressing, and it may be observed that, in any event, Northern Ireland will always require such regional treatment as the border now makes possible.

Northern Ireland,
May 1948.

* No. 150, March 1948, p. 526.

INDIA

AN ENIGMATIC FUTURE

THE last dispatch from this country was written at a moment when the Indian people were mourning the assassination of Mahatma Gandhi. It was a week of complete emotional prostration, and the introspection that often goes with a great sorrow. Many Indians, particularly those of maturer years, quite genuinely felt that nothing could ever be quite the same again. It must, therefore, be regarded as a healthy sign that in the intervening three months some very substantial results have been achieved in those fields to which the new Indian Government has accorded a high priority in the scheme of things. A draft constitution has been published. The Dominion Parliament—the Constituent Assembly (Legislative) to give it its proper name—has held its first full-length session and passed the first national budget of a free and independent India. It will meet again as a constitution-making body next month. A ten-year policy for the development and control of industry has been debated and adopted. Further substantial fusions of Indian States into administrative *blocs* have been negotiated by the States Ministry, but the less tractable problems of Kashmir, Hyderabad and Patiala remain. Another short-term sterling-balances agreement has been signed, but negotiations for a longer-term settlement are due to begin in London towards the end of May and will be of a more crucial character. In two provinces, active anti-Communist measures have been taken, whilst the Centre has made itself responsible for routing out the RSS (Rashtriya Swyang Sevak Sangh), the militant Hindu organization generally supposed to be behind Mahatma Gandhi's assassination and the threats to Pandit Nehru's life. Oddly enough, nothing further has yet been heard about bringing the Mahatma's assailant to trial. The last British troops left India in February, and Lord Mountbatten, the Governor General, will depart in the third week of June. Thereafter, practically nothing of the old order will remain, except the British commercial community whose businesses are, in any case, undergoing substantial changes to meet the changing times. India's future relationship with the Commonwealth has still to be defined. If it is to be a formal relationship at all, the chances are that it will be nearer the pattern of Eire's than any other. In whatever direction one looks, whether it be towards the political horizon or in the direction of new economic impulses, the prospect is exciting, unpredictable and vastly entertaining. Never before has India presented the observer with the raw material of speculation in such abundance. At no time in her long history has her diversity been so obvious or, paradoxically enough, her chances of attaining a real unity within so great.

A Virile Administration

A GOVERNMENT which has been able to cope with one of the greatest refugee problems in history, run a sizable war in Kashmir, withstand the impact of sharp communal stresses and subversive Communist activities,

counter what is interpreted as a policy of economic sanctions in the neighbouring Dominion and, at the same time, scramble through the day-to-day business of administration in the first months of its existence, has clearly got some stuffing in it somewhere. Increasingly, the Government of India is proving that it is determined to govern, but the strain on the three or four men at the top is obviously beginning to tell. Since the Mahatma's death, Pandit Nehru's friends say he has aged ten years. He certainly gives the impression of a man labouring under a wellnigh insupportable burden. Sardar Patel, Home Minister, State Minister, Minister for Information and Broadcasting and Deputy Prime Minister, has recently had a breakdown in health, and in consequence has been absent from both the Legislature and the Secretariat for some weeks past. He is generally regarded as the leader of the more conservative elements in the Cabinet, and his political opponents describe him as the reactionary custodian of vested interests. Whatever the truth of that may be, he has certainly shown himself a realist over the question of the Indian States and, by a shrewd mixture of compulsion and cajolery, has enormously enlarged the authority of the Government of India in a very short space of time.

Apart from their departmental responsibilities, the task of keeping the Congress party's position in the Central Legislature on a manageable basis has chiefly devolved upon the Prime Minister and his Deputy, and this cannot have been so easy as it appeared. The rest of the Cabinet are smaller party fry, or men with no party ties at all. The Finance, Commerce and Transport portfolios are in the hands of Ministers with no past party affiliations of any importance. There is thus a rather wide and frightening gap between the two or three men who lead the majority party in Parliament, and can also command the allegiance of the rank and file outside, and the next in the line of succession. The Mahatma's death has drawn pointed attention to the fact that the elder statesmen, who for so long dominated the affairs of the Indian National Congress, are an aging team and that promotion from below has been either neglected or discouraged, to the detriment of the party now that it is no longer in opposition and is charged with the sterner task of government.

The first elections under the new Constitution will see the emergence of new personalities as well as new programmes. The Socialists have already given notice that they will fight the campaign independently of Congress, though they have graciously conceded that they will support the older party in any foreign policy it may evolve. Their success at the recent Bombay municipal elections suggests that the Socialists are building up an organization which will produce results when the time comes to test opinion on a country-wide basis. Meanwhile, there are few, if any, signs that the industrialists, merchants and landowners are giving any real thought to the kind of organization that will serve their interests in the legislature of the future. For the present they seem content to rely upon their position and past record in the Congress party to secure a hearing for their point of view. They accept new and bewildering economic programmes (having as their objectives the ultimate extinction of the existing order) with uneasy reservations,

trusting apparently in the passage of time and the hard facts of life to prove the futility of many of the utopian schemes which claim public attention. But the net effect is a noticeable fear complex, which has the result of inhibiting a section of the community which ought to be taking the lead in the development of new social and economic projects.

Parliament of Ambient Mediocrity

A BODY, elected primarily for the purpose of framing a constitution, which suddenly finds itself invested with the functions of a legislature, and therefore heir to a fairly substantial legacy of partially processed legislation, is obviously placed in a difficult position. This is the situation in which the Constituent Assembly (Legislative), which is the official title of the Dominion Parliament, has found itself as the supreme legislative authority in the country since August 15 last. In November last, and again from the end of January to the middle of April, the Constituent Assembly (Legislative) has sat as a Parliament. It will take up its real work of constitution-making once again on May 18. It is perhaps a little unjust to criticize it for failure to perform functions for which it was never intended, but at the end of the budget session it has to be said that its defects have been fairly obvious to most observers. The absence of any organized opposition party has been noticeable, and has robbed democratic legislative processes of a very necessary element. To many of the provincial Congressmen, who were returned to the Constituent Assembly to draft the charter of India's independence, it still smacks of treason to get up and criticize a bill put forward by a Cabinet dominated by ex-presidents of the Indian National Congress. The quality of debate has not been very high, and an Indian writer in an Indian newspaper recently provided an apt description of the session when he said: "Politically the House has an indeterminate complexion and it is difficult to distinguish any clear-cut alignments; a kind of ambient mediocrity interlocks all." Apart from the budget itself—an affair of small mercies—a number of Bills have been passed, not the least important of them incorporating new policies in the field of industrial relations. It is a sign of the weakness of the legislature that in many matters of importance Government so often have to resort to *ad hoc* consultative committees, composed of outsiders, for advice that should more properly come from Parliament itself. Nor, on more general matters of policy, is the record any more impressive. Describing the principal debate of the session on foreign policy, the writer already quoted said:

"The whole debate was nugatory and depressing. Here was a subject of the greatest importance and yet, except for one or two speakers, the level of debate was that of a political kindergarten. The most remarkable thing, indeed, was the absence of any informed contribution from the general body of the House. There was much purveying of superficial journalistic *clichés*, but hardly any serious attempt to analyse the urgencies which are responsible for the present tragic dichotomy of world politics or to discuss the basic concepts of India's foreign policy. The debate, like many others, underlined the necessity for educating our legislators in world affairs."

It may well be that, by the time these lines appear in print, one of the big

issues which will set the course of future foreign policy will have been settled by the Constituent Assembly. The question whether India will stay in, or go outside, the British Commonwealth is clearly the starting-point from which many matters concerning external relations must be thought out. The Draft Constitution prepared by the draft committee set up by the Constituent Assembly made its appearance over a month ago, and if truth be told has excited remarkably little interest outside a few specialist circles. It is a businesslike document of some 200 quarto pages, the contents of which have obviously been influenced by previous constitutional enquiries and the body of doctrine accumulated by the Round Table Conferences of the 'thirties, &c. The Preamble to the Draft Constitution begins with the solemn words: "We, the People of India, having solemnly resolved to constitute India into a Sovereign Democratic Republic . . ." Even a few short months in the rôle of a Dominion have served to suggest to some of the constitution-makers that there may be advantages in seeking a more permanent place in the Commonwealth. The position seems to be that though the rank and file of the Congress are divided on the issue, with a majority probably in favour of complete independence, many Cabinet Ministers, including some of the chief Congress leaders, are now said to hold the view that, at least for some years to come, India should not disturb her present status as a member of the Commonwealth. The genuine political freedom so far enjoyed by India, perilous world conditions and the country's great need of foreign assistance at the present stage of her development are some of the considerations that are reported to have influenced this view. There is also in some quarters the additional apprehension that a break away from the Commonwealth would be an "irrevocable leap in the dark". It would appear, however, that the inclusion of the word "Republic" in the draft Preamble to the Constitution may ultimately stand in the way of India's continuing to be a member of the Commonwealth; and with a view to providing freedom to stay in, if such a course should be decided upon, Dr. Ambedkar, Law Minister and chairman of the Committee of the Constituent Assembly which prepared the Draft Constitution, is reported to be sponsoring an amendment substituting the word "State" for the word "Republic". The amendment has already been the subject of lively discussion by three important sub-committees of the Constituent Assembly—the Union Powers Committee, the Union Constitution Committee and the Provincial Constitution Committee—but no final decision has so far been taken.

Dr. Ambedkar has himself declared that his amendment is designed to see that nothing in the Constitution brings about an automatic and instantaneous severance of India from the British Commonwealth of Nations. In spite of the wide publicity which has recently been given by interested parties to the alleged decline of British influence in various parts of the world (the recent twisting of the lion's tail in Antarctica being a case in point) and disappointment and perplexity over the initial British attitude on the reference of the Kashmir question to the Security Council, there is a very real conviction in important quarters in India that the Commonwealth offers a certain sheltering stability, which no other grouping provides, in a world still very much in

turmoil. Closer ties with the United States of America will certainly be sought, but they are likely to be confined to the commercial plane. If the great bulk of articulate Indian opinion is not yet prepared to join the general democratic condemnation of Russia, it none the less finds Soviet policy inexplicable in terms of national freedom, which, at the moment, is the favourite yardstick for affairs. The Commonwealth is at least intelligible; but it would be rash to assume that continuing membership will be deliberately chosen by India without much heart-searching and many hard words on both sides. The President of the Constituent Assembly expects the new Constitution to be passed by June, and the first general election to be held some time next year. Provincial administrations are already receiving preliminary instructions for the preparation of a national electoral roll, based on general adult suffrage.

Absorption of the States

IT is difficult to keep track of all the developments that are taking place in the Indian States. Mergers, regroupings and amalgamations have been brought about with bewildering rapidity, and in this department of activity both the States Ministry at New Delhi and the Princes in their domains have acted with purpose and promptitude. The Government of India's policy has been directed to two main objectives—the transfer of a measure of responsible self-government to the States' peoples and the integration, by union with other States or with provinces, of States whose capacity for survival as autonomous and viable units in the new order was questionable. The present position may be summarized as follows: as against approximately 600 self-governing States in existence on August 15, 1947, the number by the end of May 1948 will be reduced to less than 30. As a consequence of the integration of small States into the provinces 334 units of a total area of 94,000 sq. miles have disappeared into provincial administrations. Then there are the State-with-State amalgamations, such as Saurashtra (a merger of Kathiawar States), for which not even approximate figures are available. In all such cases the covenant governing the constitution of the newly created units provides for the transfer of legislative power to the people. The mergers and absorptions are not yet at an end. In the case of the larger States, recognized as being entitled to continue life as separate autonomous units, democratic constitutions transferring power to popularly elected assemblies have been either effected or promised. Thus there has been a perfect welter of democracy! A limit has been set to Their Highnesses' privy purse, the maximum sum allowed to a ruler from State revenues being Rs. 10 lakhs per annum, and not all of them will receive this. The desire to make their financial position more liquid, and therefore more secure, led to heavy sales of Government-of-India securities by the rulers in March, and a sharp recession in the gilt-edged market in Bombay and other centres.

Kashmir and Hyderabad remain as major problems, whilst the position of Patiala and its Maharaja is indeterminate, but strong enough to belie the idea that he or his people can be made to toe just any particular line. By now, the wiser heads in both India and Pakistan probably deeply regret the Kashmir

affair, the evil effects of which communicate themselves to all departments of inter-Dominion relations. The weakness of the Indian case is that it has committed the country to supporting a Dogra régime of dubious quality backed by Sheikh Abdulla, a political adventurer who has still to prove that he commands the support of the majority of the Moslem subjects of a predominantly Moslem State. Equally, Pakistan's case is prejudiced by the fact that it is linked up with the elements that, unless brought under control, will permanently disrupt the frontier in whose security both India and Pakistan have a common interest. Neither in the military operations in Kashmir itself, nor in the council chamber at UNO, has a final decision yet been reached. In the opinion of most observers it is, to say the least of it, very doubtful whether any paper scheme evolved at Lake Success can be effectively applied to a situation in which neither national nor international writ is understood by one of the chief combatants. Whatever the original rights and wrongs of the matter may be, subsequent Indian military progress has been slow and attained at heavy cost. It is unlikely that she will give up what she has painfully consolidated for a Security Council scheme which fails to answer certain basic conditions.

The pendulum of Indo-Hyderabad relations swings violently, first in one direction and then in another. The one-year standstill agreement is running anything but smoothly, and whatever the merits of the individual matters in dispute, it has to be said that the Nizam, in a somewhat lonely and isolated position, is proving extremely tenacious of what he considers to be his rights. Events in Hyderabad and Kashmir are not unrelated; for India's preoccupations in the latter have undoubtedly encouraged a stiffer attitude in the former. It is very easy to oversimplify the issues in Hyderabad. In its crudest form the Indian claim may be expressed thus: the people of Hyderabad State, mainly Hindus, want responsible self-government; they want accession of the State to India; these demands are being denied to them. Furthermore, Hyderabad lies next to the heart of the Indian Union. But it is not quite so plain and straightforward as that. Statement and counter-statement succeed one another. Border incidents of a familiar pattern are reported with increasing frequency. The real danger of Hyderabad is that a showdown there, accompanied by physical force, might touch off a communal explosion in the Indian Union, in which 40 million Moslems still reside. After the chastening experience of Kashmir, it is probable that the Indian Government will handle the last stages of the Hyderabad business with much circumspection. On a long view, Hyderabad has no choice but to come to terms with India; and they will be very largely India's terms. There is a curious idea in some Indian minds that Britain is not displeased with what is described as the Nizam's intransigence. This attitude of mind probably derives from the Nizam's former special relationship with the Crown, the size and importance of the State and the fact that the Nizam continues to employ an eminent British lawyer as one of his chief constitutional advisers.

PAKISTAN

THE NEW STATE FINDS ITS FEET

THE gulf between Pakistan and India has been widened during the past three months by the termination of the various standstill agreements under which the two Dominions remained temporarily an economic whole. Free movement of many classes of goods came to an end on March 1, from which date each Government declared the territory of the other to be "foreign territory" for customs purposes, and land customs lines on the Bengal and Punjab frontiers came into being overnight. The consequences to trade and industry have been serious, yet paradoxically the effect of this complete political and economical cleavage has been to bring the two countries perceptibly closer together in sentiment. True, Kashmir remains as an open sore, and no real *rapprochement* is possible until the dispute has been cleared up, but it does appear that the infection thereof has been temporarily localized. It is in the economic field that there are indications that sheer force of circumstances is driving the two Dominions to recognize their interdependency. The detrimental consequences of total separation and of pursuing conflicting economic policies were, to a large extent, covered up by the standstill agreements, but have now been laid bare for all to see; India is seriously worried over its supplies of jute and long-staple cotton, Pakistan over its supplies of coal and cotton piece-goods. Each side has much to give and much to receive, and there is ground for hope that a realistic appreciation of this fact is overcoming the mutual antipathy engendered by the hideous events of last autumn. Some useful agreements have been concluded between the two Governments on such important subjects as food, currency arrangements, refugees, treatment of minorities and air transport. The *communiqué* relating to the last-named stated that the negotiations had been held in a spirit of the "utmost cordiality and good-will", which surely goes beyond the merely conventional wording.

The inter-Dominion Conference held at Calcutta in April was completely successful; it produced a charter for minority communities and agreement regarding various connected matters. On the economic side, it took the first steps towards mitigation of the hardships and inconveniences caused to traders and travellers by the new barriers, but did not go so far as to deal with the major economic issues. Public opinion has reacted sharply against the artificial obstacles which have been placed in the way of the normal trade movements of the sub-continent. It is both significant and astonishing that on the border between Lahore and Amritsar, the scene of so much carnage only a few months ago, a regular market has grown up where the peasant barter cotton cloth, salt, tobacco and other necessities of life with his "foreign" neighbour on the other side of the border; this is a spontaneous popular movement to which the Customs have, so far, found it convenient to turn a blind eye. The same sort of thing is happening on the frontier

between the two Bengals, and from small beginnings these movements might easily develop into a source of serious embarrassment to the two Governments, if they have not the wisdom to remove all unnecessary restrictions.

There are other factors which help the emergence of a co-operative spirit between Pakistan and India. In the early months of partition there was a large body of opinion in India which regarded Pakistan as an ephemeral and unnatural product doomed to early collapse—collapse which could be hastened by all manner of pinpricks. Those who held this view must by now have come to realize that Pakistan is here to stay and is in a position to return with interest any economic body-blows dealt her by India. Furthermore, Pakistan has wiped India's eye by succeeding in presenting a balanced central budget for the first full year of the new régime, thus confounding the critics who held that the new State lacked revenue resources and would not be economically viable. "Somehow", remarked an Indian financial journal recently when discussing the weakness of the Indian gilt-edged market, "Pakistan has been thinking very clearly"—a wistful tribute which caused some amusement in Karachi. There is evidently on the Indian side a growing appreciation of the fact that Pakistan is a neighbour to be treated with respect.

On the Pakistani side, it would be more true to say that the emphasis has shifted than that there has been any genuine improvement in feelings towards the more powerful neighbour. The first burst of patriotic fervour and optimism has evaporated; and six months of hard struggle have made the Pakistanis realize that the infant State is no less threatened by internal strains and stresses than by external foes. Pakistan, in short, is in a mood of doubt and self-criticism. Public opinion has become disgusted at the undignified squabbles in the Provincial Ministries and at the widespread corruption which has vitiated the administration and the whole public life of the Dominion. At the birth of Pakistan, the Quaid-i-Azam and the Prime Minister lost no time in proclaiming that there would be no room for corruption in the new State and that drastic action would be taken to stop it. Well-wishers of Pakistan—and there are few foreigners residing here who are not infected with enthusiasm for the youngest Dominion—were however coming to fear that these salutary words had been forgotten and that the Special Police Force, which had been created to deal with corruption, was going to rest content with catching the smaller fry. The sensational dismissal of Mr. Khuhro, the Premier of Sind, at the end of April, did much to set these doubts at rest: he was ignominiously removed from office, under the instructions of Mr. Jinnah, on the ground that a *prima facie* case of mal-administration, gross misconduct and corruption had been made out against him. A judicial tribunal is to inquire into the allegations against him, and this is generally regarded as the beginning of a long overdue purge of the corrupter elements in the Central and Provincial administrations. A fresh wind is blowing, and those who had hoped to see Pakistan living up to its name are taking heart. Nothing will do so much as a strenuous campaign to reform the administration to take the wind out of the sails of

the fifth-column elements which are working on the grievances of the public.

Centrifugal Forces

FREQUENT references recently made to provincialism by the leaders of the State show that fissiparous or separatist tendencies are regarded as a serious menace. It is perhaps unfortunate for Pakistan that she has inherited the legacy of provincial autonomy, and there are many who hope that the new Constitution will centralize the administration. Provincial autonomy was no doubt a necessary feature of the Constitution of undivided India, but Pakistan is a much smaller and comparatively homogeneous administrative unit; except in East Bengal, where a separate administration with legislative powers will no doubt be necessary, the Dominion could be manageably conducted by a unified administration. As it is, there is constant friction between the Centre and the provinces. Sind has been up in arms over the proposal that Karachi, as the capital of Pakistan, should be made a central enclave, and has also been at odds with the Centre over the refugee problem. West Punjab has had such acute differences with the Centre over the refugees that the Premier of the province went to the length of resigning from the Joint Refugee Council. The East Bengal Government has been working fairly harmoniously with the Central Government, but there has been a vehement public agitation against the Centre over the language controversy; situated as it is, it is obvious that East Bengal has to be watched carefully.

One of the main interests of the budget session of the Pakistan Assembly lay in the emergence of a new party which will form the main opposition to the Muslim League party. This party, the "All Pakistan People's Party", has been sponsored by disgruntled elements which previously strove against the Pakistan ideal. Its leader is Khan Abdul Ghaffar Khan, the "Frontier Gandhi", a great friend to the Congress in the past and an ardent advocate of "Pathanistan". His chief lieutenants are: Sheikh Hissamuddin, leader of the Ahrars, who have always been nearer to the Congress than to the Muslim League, Mr. G. M. Syed, the former leader of the Sind Muslim League who tried to sway the Sind vote against partition, and Munshi Ahmad Din, the Socialist leader. The party issued a manifesto which, while purporting to stand for the security and stabilization of Pakistan, made it clear that the weakening of the Centre and the conversion of Pakistan into a "Union of Free Socialist Republics" (a sinister echo of "U.S.S.R.") are its chief objectives. Having regard to the antecedents of the sponsors of this party, one might expect it to remain still-born, but the truth is that its progress will be in inverse proportion to the degree of success with which the present administration handles the multifarious problems affecting the day-to-day lives of the common people. A Communist party of Pakistan has also been formed. There is little place for Communist ideology in an Islamic State, and in any case the absence of any substantial body of industrial labour should make it difficult for it to thrive; but here again it is up to the administration to see that the party does not have a fertile field for agitation among the poorer classes in general and the refugees in particular.

A most important event in the commercial field during the period under review has been the publication of an Industrial-Policy White Paper by the Pakistan Government. This has cleared up many uncertainties. Foreign capital seeking investment with a purely industrial and economic objective and not claiming any special privileges is to be welcomed. Trading companies (as opposed to concerns which will engage in industrial activities) are expected to register subsidiaries in Pakistan, but will not be subject to any other conditions. Promoters of industrial companies will ordinarily be required to offer at least 51 per cent of the share capital to nationals of Pakistan in thirteen specified industries and 30 per cent in the remainder. If the required amount of indigenous capital is not forthcoming, in either case, the balance may be subscribed by foreign investors. The general reaction of the business community is that these proposals are not unreasonable, especially since there is no suggestion that legislation will be introduced to ensure (as is to be done in India) that not only the majority interest but also the effective control will remain in indigenous hands. Business circles are not, however, entirely satisfied with the statement that Government will allow facilities for the remittance of a "reasonable" proportion of profits to countries from which the capital is drawn; clearly the foreign capitalist is not going to put his money into a country unless he can be sure that he will be permitted to take out his share of the dividend. It is probable that further assurances on this point will be sought.

On the subject of the relation of the State to industry, the White Paper comes out fairly strongly in favour of private enterprise. The only industries that are to be nationalized are arms and munitions of war, generation of hydro-electric power, manufacture of railway wagons, telephones, telegraph and wireless apparatus (the industries already nationalized are posts and telegraphs and the telephone system, wireless and broadcasting and railways, while road transport is in process of being nationalized by Provincial Governments). The position of only two industries remains doubtful: river services are to be left to private enterprise for the present, the question of their nationalization being examined in the course of time, while an announcement is expected shortly of the policy of Government regarding petroleum and petroleum products. There is no suggestion, as in the corresponding statement issued by the Government of India, that in respect of certain industries the whole matter will be reviewed after a specified period, although the Pakistan Government have, as was only to be expected, reserved their general right to take over or participate in any industry vital to the security and economic well-being of the State.

Pakistan,

May 1948.

IRELAND

THE NEW GOVERNMENT

THE result of the general election, as finally revealed after the Carlow-Kilkenny by-election on February 13, seemed inconclusive, the position of the parties being as follows: Fianna Fail, 68; Fine Gael, 31; Labour, 14; Farmers, 11; Clann na Poblachta (Republican party), 10; Independents, 8; and National Labour, 5. But although Mr. de Valera's party, Fianna Fail, remained by far the largest, it no longer had an over-all majority. The electors by a majority of 215,716 had refused to give him the vote of confidence he had asked for. The election slogan of his supporters—"The 'Dev' you know is better than the devil you don't know"—which neatly summarized his electoral appeal, had not produced the desired result and he could no longer hope to reign alone. It became clear that the next Government must rest on an inter-party agreement such as he had refused to consider. The decision as to its nature and policy would lie with the two Labour parties, the Farmers and the Independent *bloc* who commanded the balance of power between Fianna Fail on the one hand, and Fine Gael and Clann na Poblachta on the other. As the official Labour party, the Farmers and most of the Independents had already declared their intention of opposing Mr. de Valera, the ultimate decision rested with the five National Labour members whose position still remained uncertain. The issue, however, was not long in doubt. On February 15 after a conference between the representatives of the five other Opposition parties it was announced that Mr. John A. Costello, S.C., T.D., a leading member of the Fine Gael party, had agreed to allow himself to be nominated for the position of Taoiseach or Prime Minister and that these parties had agreed to co-operate in the formation of an inter-party Government. Two days later, when the five National Labour deputies decided, on their own responsibility, to join the new coalition, Mr. de Valera's fate was sealed. Announcing this decision General Mulcahy, the Fine Gael leader, stated that the new Government's policy would include projects for increased agricultural and industrial production, an extensive housing programme, a reduction in the cost of living, taxation of unreasonable profits, a comprehensive social-security plan, the removal of the supplementary taxes on cigarettes, tobacco, beer and cinema seats, immediate steps to improve tuberculosis treatment and the establishment of a Council of Education.

When the new Dáil met on February 18 the nomination of Mr. de Valera as Taoiseach was defeated by 75 votes to 70 and Mr. Costello was elected to that office by 75 votes to 68. So ended the Fianna Fail administration, which has lasted for fifteen years. This determination was primarily due to three men: Mr. James Dillon, the leader of the Independent group, who has consistently worked for and advocated the formation of a democratic coalition against Mr. de Valera, General Richard Mulcahy, the leader of Fine Gael, who most unselfishly withdrew his personal claims to the premiership, and last but not least Mr. Costello himself, who has made a serious

financial and professional sacrifice in order to discharge a national duty. Mr. de Valera's defeat in the Dáil has since been "copper-fastened" by the result of the Senate election, where a constituency consisting of members of Parliament and of the county councils gave the new Government a majority of 7, to which must be added 11 members nominated by the Prime Minister. These last were, unfortunately, selected on the usual party lines principally from defeated candidates for the Dáil or Senate.

Mr. Costello's Cabinet

THE new Prime Minister of Ireland is one of the leaders of the Irish Bar, to which he was called in 1914. He is 57 years of age, nine years younger than his predecessor. He is a man of strong personality and, in a profession where character counts, is universally respected for his courage, integrity and clear intelligence. He has been a member of the Dáil since 1933, representing a Dublin constituency, and although he has never been a departmental Minister he acted as Attorney General in the Cosgrave Government from 1926 to 1932, in which capacity he represented Ireland at the Imperial Conferences of 1926, 1929 and 1930, as well as at several meetings of the League of Nations. As he was not in politics during the Civil War period he is, in his own words, "detached from the controversial bitternesses of the past". There is good reason to believe that he commands the full support and loyalty of his colleagues, and he was their unanimous choice.

After visiting the President and receiving the seals of office Mr. Costello announced the names of the new Government as follows: Tanaiste, or deputy Prime Minister and Minister for Social Welfare, Mr. William Norton (Labour); Minister for Education, General Richard Mulcahy (Fine Gael); Minister for External Affairs, Mr. Sean MacBride (Cumann na Poblachta); Minister for Lands, Mr. Joseph Blowick (Farmers); Minister for Posts and Telegraphs, Mr. James Everett (National Labour); Minister for Agriculture, Mr. James Dillon (Independent); Minister for Finance, Mr. Patrick McGilligan (Fine Gael); Minister for Justice, General Sean MacEoin (Fine Gael); Minister for Defence, Dr. T. F. O'Higgins (Fine Gael); Minister for Industry and Commerce, Mr. D. Morrissey (Fine Gael); Minister for Local Government, Mr. T. J. Murphy (Labour); Minister for Health, Dr. Noel C. Browne (Cumann na Poblachta); Attorney General, Mr. Cecil Lavery, S.C. (Fine Gael). The Dáil approved Mr. Costello's nominations by 75 votes to 65. It will be noted that the various parties are represented in the new Government in proportion to their strength and that Mr. Costello, as befits the leader of a composite government, holds no portfolio himself, preferring to devote his whole time to the task of guidance and leadership.

Unlike the previous administration this Government is not a "one-man show". Two of its members, General Mulcahy and Mr. McGilligan, held office in the Cosgrave Government, while Mr. Norton, the leader of the Labour party, Dr. O'Higgins, a brother of the late Kevin O'Higgins, Mr. Morrissey and Mr. Dillon have all had wide political experience. The latter has, indeed, been the protagonist of the Opposition for some years. A son of the late John Dillon, the last leader of the Irish Parliamentary party, and a

grandson of John Blake Dillon, one of the leaders of the 1848 insurrection, he aptly replied when his credentials as an Irish Nationalist were recently challenged in the Dáil that three generations could answer for him. He is both a farmer and a successful business man and has travelled widely. Mr. Morrissey was originally a member of the Labour party, from which he was expelled in 1931 because he courageously supported the steps taken by Mr. Cosgrave to suppress disorder and crime. Dr. Browne, who is only 34 and the youngest member of the Government, had the unique experience of becoming a Minister on his first day in Parliament. He has for some time been prominently associated with the campaign against tuberculosis, in which much remains to be done. The two other Labour Ministers, Mr. Everett and Mr. Murphy, are trade-union officials.

An inter-party government can function only if its constituent elements are prepared to subordinate their special interests to a common end. The new Government at once made it clear that they intend to do so. Their most difficult problem was to reconcile the attitude of Fine Gael, which advocates open acceptance of Commonwealth status, with that of Clann na Poblachta, Mr. MacBride's Republican party, which favours complete separation. Mr. MacBride told the Dáil on the day of his election as Minister for External Affairs that his party could not, having regard to the result of the election, claim a popular mandate for their policy and that it must therefore remain in abeyance till such a mandate was forthcoming, while Mr. Costello and his party have apparently agreed not to alter the existing system of external association devised by Mr. de Valera. This is a wise and satisfactory solution. In fact the great majority of the people are far more interested in the vital problems which affect their daily lives, and so far as these are concerned the Government has lost no time in carrying out its various pledges. During the first two months of their existence they have repealed the additional taxes on beer, tobacco and cinemas which Mr. de Valera's Government imposed last October, agreed to accept the principle of arbitration as between the Government and the civil service, remedied the principal grievances of the national teachers, announced the forthcoming establishment of a Council of Education and released the five remaining political prisoners. In his first broadcast to the nation on February 24 Mr. Costello made it clear that the Government's aim was to make the Dáil "a deliberative assembly rather than a machine for registering the will of a majority party" and that the views of all parties would "receive careful and friendly consideration". They hoped, he said, to foster a sense of personal dignity and responsibility in accord with the Christian Faith, which was a unifying element amongst them. The Government propose to allow a free vote of the Dáil whenever possible, and this has already been done on the question of adhering to British summer time, when Mr. Costello and Mr. de Valera both found themselves in the same lobby supporting the proposal.

On March 3 Mr. Dillon, the Minister for Agriculture, outlining the Government's agricultural policy, said they would aim at the maximum production of fat and store cattle for the British market and press for the removal of the present British discrimination in price against fat cattle.

Compulsory tillage would, he said, be abolished after this year, and only a serious emergency would make him use compulsion against any farmer. He also disclosed that a substantial part of the country's wheat requirements for the next five years had been secured during the Washington negotiations. Mr. Dillon has already started conversations with the British Government on the question of cattle prices.

Industry and Finance

THE Government's attitude in regard to industry was indicated frankly by Mr. Costello when he told a gathering of somewhat surprised manufacturers at Cork on April 7 that his administration would resort to every legitimate device to bring down the cost of living, and that costs and prices must be reduced. He emphasized that inefficiency and incompetency would not, as in the past, be bolstered up by State assistance at the expense of the consumer, and that the nation "cannot have prosperous manufacturing industries without a prosperous agricultural economy".

A serious issue has been raised by Mr. McGilligan, the Minister for Finance, who recently reminded the Senate that anything like the present currency link between Great Britain and Ireland does not exist elsewhere, and that those who stand for its maintenance must realize that the onus is on them to show that its continuance is desirable. Whether this means that the Government intends to fulfil the election promises of Mr. MacBride by reopening this vital question, on which two representative Banking Commissions have already reported against any change, is not clear. Such a change would be a serious impediment to trade relations between Great Britain and Ireland and would disintegrate the structure of Irish banking. It is certain that no step will be taken to alter existing currency arrangements without adequate consideration and advice. Our national credit is high and the Government has just issued a loan of £12 million at 3 per cent, repayable in 1970, which was over-subscribed at once. This is the largest loan issued since the establishment of the Irish State and the first since 1941. It will be used to repay temporary borrowings made during recent years.

The first budget of the new Government, which Mr. McGilligan introduced on May 4, is an ingenious, and on the whole satisfactory, attempt to meet the somewhat contradictory electoral pledges of the various coalition parties. Faced by a deficit of £9,331,000, largely arising from his predecessor's estimates, Mr. McGilligan has saved £6,646,000 by economies, set aside £800,000 to be met by borrowing and imposed fresh taxation expected to yield £1,190,000, leaving a modest surplus of £25,000. The economies include a reduction in the cost of the defence services, the abandonment of the proposed transatlantic air service and short-wave radio station and adjustments in subsidies. The principal item of new taxation is an increase of 3d. a gallon on petrol. To satisfy labour demands for improved social services an increase ranging from 2s. 6d. to 5s. is to be made in old-age pensions, with a limit of 17s. 6d. per week. It is also proposed to make a substantial increase in pensions paid to widows and orphans with a modification of the means test in both instances. The tea ration has also been

increased. Dealing with economic conditions generally Mr. McGilligan appealed to workers to assist in checking the inflationary trend by refraining from seeking wage increases and warned employers that if prices were not reduced the Government would, if necessary, restore the price-control machinery and appropriate all excess profits.

Mr. de Valera at Large

RELEASED from the cares of office Mr. de Valera flew at once to the United States, where for a month he made a well-organized triumphal progress from coast to coast. No one will grudge him this well-earned "busman's holiday", but many strongly resent his public declarations in America, which were confined almost exclusively to the subject of Partition. To state for example, as he did at the Press Club in Washington, that the present policy of the British in Ireland was the same as that of the Russians in eastern and central Europe was not only mischievous but untrue. Such statements, directed to the ignorant emotions of Irish Americans and aimed at dividing Britain and America at a moment when the peace of the world depends as never before on their unity, can only be described as quite irresponsible if not definitely malicious. His further argument that Partition was indefensible because several of the border counties in Northern Ireland had Nationalist majorities was answered effectively in the Armagh by-election, where the Unionist candidate was returned by a majority of over 12,000. He has now gone to Australia on a similar errand.

Using more statesmanlike language Mr. Costello, in his national broadcast on St. Patrick's Day, emphasized the necessity for European unity, and said that if our fellow-Irishmen in the six north-eastern counties made sacrifices we would make them too. We could not, he said, in such a small country afford to dissipate our energy and disperse our effort in party, sectional or sectarian strife. One of Mr. Costello's nominations to the Senate is Mr. Denis Ireland of Belfast, a prominent opponent of Partition. Speaking at Cork on March 7 Mr. MacBride, the Minister for External Affairs, introduced a new note when he advocated a Customs Union between North and South. But, as Sir Basil Brooke, the Northern Prime Minister, later pointed out, the existing Customs barriers were imposed not by Northern Ireland but by the Irish Free State in 1923, and their removal would mean the inclusion of Ireland in the British customs system, which Mr. MacBride apparently does not realize or overlooks. Our well-protected manufacturers would hardly welcome or approve such a step. It remains true that the best service Irish statesmen can render to Ireland and the world under present conditions is to agree to disagree, but to co-operate whenever and wherever possible. Partition cannot be ended by bickering or bargaining, and can only be aggravated by misrepresentation.

External Affairs

MR. MACBRIDE, as Minister for External Affairs, has taken part in the meetings of the Paris Conference on European recovery and stated our needs and aspirations in moderate and statesmanlike terms. On his motion a special message of gratitude and appreciation for their initiative

and generosity was sent to the American Government. Our present requirements under the Marshall Plan are mainly for consumer goods. To bridge the gap between dollar earnings and the cost of these supplies payment in sterling will be made to a local Currency Fund, which will later be used for special capital development under a bilateral agreement between this country and the United States. In the first year we are to receive aid amounting to £28,475,000 in value. It is unfortunately true that Ireland is, on the whole, dangerously apathetic to the present European situation; although, alarmed by the threat to the Pope, Irish Catholics contributed £40,000 to the funds of the Christian Democratic party in the Italian election. Largely owing to our neutrality and immunity during the war the danger now threatening the West seems remote and unreal, and we do not realize that the preservation of our neutrality in another conflict is hardly possible. The military correspondent of the *Irish Times* has just bluntly reminded us that in the event of war this country must be prepared, in company with Great Britain, to act as a highly organized base of operations for United States forces, and that an outbreak of war in Europe would compel American intervention in Ireland. He therefore concludes that for defence we require a small force of highly trained technical experts rather than large numbers of riflemen, because the former would alone have the necessary skill and experience to provide an allied army with essential aid and information.

Common Citizenship

BECAUSE of the change of government, with which its introduction coincided, the British Nationality Bill* has not received the consideration it deserves in Ireland. If it becomes law Irish citizens will no longer be able to claim as of right to be British subjects, but if they reside in Great Britain will presumably continue to have all the rights and obligations of British subjects and will not be treated as aliens. Moreover, an Irish citizen who is at present a British subject and who has definite associations with the United Kingdom can retain that status by giving notice to the Home Office. It is a pity that this problem of common citizenship within the Commonwealth should be dealt with in this piecemeal fashion and that Irish citizens, apparently in order to satisfy Mr. de Valera, should be singled out for treatment as international hermaphrodites. A Commonwealth of Nations which, at least for the moment, includes India, Ceylon and Pakistan, not to mention South Africa, Canada and Ireland, can hardly be described as "British", nor does the term "subject" any longer indicate the true relation of its peoples. Would it not be wiser and more realistic to recognize publicly that the Commonwealth is now an alliance of independent States, which can no longer be described as Dominions, and which are bound together in a common citizenship and purpose under one King by consent rather than allegiance?

Ireland,

May 1948.

* The British Nationality Bill is more fully discussed in the article entitled "The British Subject". See p. 657.

CANADA

A PROGRAMME OF ECONOMIC RESTRICTION

THE opening of the fourth session of the present Federal Parliament of Canada on December 5, 1947, found the Liberal Ministry with its precarious majority over any possible combination of opponents unimpaired by the by-elections held during the recess. A reorganization of the Cabinet had introduced a new Minister of Veterans' Affairs in the person of Mr. Milton Gregg, V.C., reshuffled some other portfolios and installed as deputy for Mr. Mackenzie King in the leadership of the House of Commons Mr. St. Laurent in place of Mr. Ian Mackenzie, who had retired to the Senate. Since Parliament met its time has been largely occupied in a discussion of two subjects, the new economic programme of the Government, designed to cope with the problems created by the scarcity of American dollar exchange, and the high cost of living. On both these issues the three Opposition groups were in full cry against the Government, but not always on the same grounds. The salient features of the economic programme were severe restrictions, imposed partly by a total ban and partly by a quota system, upon a wide range of imports from the United States, heavy countervailing excise taxes upon a variety of goods of domestic manufacture, and a drastic limitation upon expenditures for travel in the United States.

The Opposition was on firm ground in criticizing the Minister of Finance for enforcing the new taxation after a mere announcement of its terms in a broadcast without securing the customary authority of Parliament; and the new restrictions on trade were under fire on the obvious charge that they ran counter to the policy of liberation of trade embodied in the series of commercial agreements concluded at Geneva last autumn between Canada and other countries. The dislocation of the plans of Canadian industry and business, which the new programme caused, furnished the Opposition with abundant ammunition; and as a result of their protests and representations made by the spokesmen of business interests, the Government was compelled to make substantial modifications of its original programme and only secured the authority of the Commons for it by the narrow majority of 10. When the trade agreements signed at Geneva were submitted to the Commons, there was only a perfunctory discussion of them. The Liberals defended them on the ground that such a substantial clearance of the channels of international trade as they promised was bound to benefit a country whose prosperity depended so much upon her export trade; and they laid particular stress upon the gain which would accrue to the farmers and other natural producers of Canada through freer access to the American market under reduced duties. But the validity of this latter claim was challenged by the argument that this gain would be trivial as long as the Government retained embargoes upon the exports of cattle and other farm products to the United States for the purpose of fulfilling its commitments about shipments of foodstuffs to Britain. The Progressive-Conservative party had a divided

mind about the trade agreements; its right wing objected to the inroads made upon the system of Imperial preference, but the progressive elements felt any frontal attack upon the agreements inadvisable and Mr. Bracken, who had ventured to advocate a customs union between the countries of the British Commonwealth, secured the acquiescence of the Government in a proposal that the agreements be subjected to study by the Committee on Banking and Commerce. For the C.C.F. party Mr. Coldwell thought that the agreements would only produce meagre fruits, until the embargoes upon exports to the United States were removed and greater progress was made with the economic rehabilitation of western Europe. The Anglo-Canadian wheat agreement again furnished material for controversial debate, and was defended by the Liberals and the C.C.F. against the criticisms of the Progressive-Conservatives, who argued that, by depriving the western grain-growers of the benefits of the high world prices now ruling for grain, it imposed on them unfair sacrifices.

The Cost of Living

BUT in both the debate on the Address and the discussions of the trade policies the high cost of living overshadowed all other topics, because members knew that it was the paramount concern of thousands of voters. Since the removal of the great majority of price controls in the summer of 1947 it had mounted at an alarming rate and the climb of the official cost-of-living index on March 1 to the figure of 150.8, which is above the peak figure of 150.6 reached in July 1920 during the period of abnormal inflation after the First World War, means that a very serious strain has been imposed upon the budgets of the great majority of Canadian households. So the widespread dissatisfaction of the public with the results of the removal of price controls was vigorously voiced from all quarters of the Commons, and the free ventilation of charges that the manufacturers and distributors of goods were exploiting the Canadian consumer through business cartels and price-fixing associations forced the Government to appoint a special committee of the Commons, charged to examine the causes of the swift rise in the price level and investigate the accusations of profiteering by price-fixing, and hoarding. During this enquiry a large volume of interesting evidence, which seems to sustain some of the charges, has been accumulated and the Government has felt it wise to reimpose certain price controls.

Meanwhile a fresh stimulus has been given to the agitation about the high cost of living by a decision of the Federal Transport Commission, which authorizes a general increase of 21 per cent. in railway freight rates. This increase, which was reflected immediately in higher prices for coal and other commodities, has provoked bitter protests from the public, and papers like the *Winnipeg Free Press*. Immediately after the Easter recess ended Mr. Coldwell, the leader of the C.C.F., moved a special adjournment of the Commons to discuss this question and demanded a suspension of the increase until the Cabinet had time to hear an appeal from the verdict of the Board; he was supported by Liberal members from both the western and maritime provinces, which will bear the brunt of the increase, because the competition

of water and highway traffic will keep it down to a modest scale in Ontario and Quebec. The Government, declining to order any suspension, has promised a general enquiry into the freight-rate structure, but when seven provincial ministries, who have announced their intention of appealing against the verdict, present their case to the King Cabinet, it will be faced with a very awkward dilemma if it is invited either to reverse the decision of the Board or to assume responsibility for a further increase in the cost of living through concessions to the railways.

Abdication of Mr. King

THE close of the session promises to herald the opening of a new era in Canadian politics, when Mr. Mackenzie King carries out his declared intention to retire to private life as soon as a national convention of the Liberal party, which will meet in Ottawa on August 6, has selected a new leader. The disappearance of a politician who has led the Canadian Liberal party for twenty-nine years and, as the occupant of the office of Prime Minister for more than twenty-one years, has beaten the imperial record for its tenure previously held by Walpole, will leave an immense vacuum in the public life of Canada and, by forcing a revaluation of issues and personalities, may have very important effects upon the fortunes of the different parties.

The revision of the Liberal programme, which the convention will also undertake, will almost certainly produce a struggle between the progressive and the conservative elements, which will be settled by a compromise, but there is more potential danger for the party in the possibility of a racial conflict over the leadership. One essential qualification for it must be acceptability to the French-Canadians, who will supply more than one-third of the membership of the convention; and consideration will also have to be given to the existing political situation in western Canada. Since its close settlement was achieved, it has been the chief forcing-bed of radical sentiment in Canada, and to-day the western voters are so strongly infected with it that neither of the two historic parties enjoys the allegiance of a majority of the voters in any province west of the Great Lakes. The provincial governments of Saskatchewan and Alberta are respectively in the hands of the C.C.F. and Social Credit parties, and in both Manitoba and British Columbia the Liberals and Conservatives have found it necessary to forswear their ancient feud for the purpose of providing stable administrations, endowed with working majorities. Such Coalitions, if well managed, tend to modify the outlook of participants in them and soften the divisive personal asperities between leaders; and, since there is a distinct possibility that no party may secure in the next Federal election a clear majority in the House of Commons, many Liberals would prefer as their new leader a politician whose record and temper would not forbid an accommodation with another party.

Candidates for the Succession

BOTH these qualifications are possessed by Mr. Louis St. Laurent, K.C., now Minister for External Affairs. He had never taken any active part in politics until in 1941, in his sixtieth year, he was persuaded to leave his

lucrative practice at the Bar of Quebec and take the place of the late Mr. Lapointe as Minister of Justice at Ottawa. His rise inside seven years to the front rank as both a parliamentarian and an administrator argues an endowment, uncommon in eminent lawyers, of great natural ability for politics. To-day Mr. St. Laurent has the status of Mr. King's first lieutenant and is the accepted leader of the French-Canadian wing of his party; and therefore his candidature for its leadership, which he has definitely announced, is assured of the solid support of the French-Canadian delegates at the convention. He also belongs to the right wing of his party, and his popularity with the Progressive-Conservatives would be an advantage if a Coalition had to be formed after the election.

At the convention the French-Canadian delegates will form an impressive nucleus for a majority, but they cannot provide it without a substantial reinforcement of votes from English-speaking delegates, which might be attracted by admiration for the abilities and attractive personality of Mr. St. Laurent. But, on the other hand, the bitter controversies over conscription during the late war, while they did not disrupt the Liberal party as in 1917, have not yet been buried in oblivion, and Liberal politicians from other provinces than Quebec foresee that it will be hard to rally the numerous war veterans among their constituents to the banner of a French-Canadian leader, who strenuously opposed full conscription. Moreover, this troublesome issue has once more emerged through the move made by the Truman administration for the revival of universal military training in the United States, because Canada, urgently needing, as she does, financial succor from the United States, can hardly afford to lag behind her mighty neighbor in the assumption of burdens for the preservation of international peace.

There is indeed always the possibility that the hierarchy of the Roman Catholic Church, through its detestation of Russia and all its ways, might exert its powerful influence to secure French-Canadian acceptance of conscription, but so far there is no evidence that their ingrained hostility to it, which Mr. Duplessis, the present Premier of Quebec, will do his best to fan, has abated. Therefore, while few English-speaking Liberals do not hold Mr. St. Laurent in high esteem, they know that no French-Canadian leader would like to brave the massed displeasure of his own race as the sponsor of conscription, and, therefore, they feel great reluctance to entrust the leadership of the party at this juncture to Mr. St. Laurent. So a group of influential Liberal leaders, convinced that the unopposed election of Mr. St. Laurent would serve the interests of neither the nation nor the Liberal party, are determined to make him face the test of a contest.

At the moment their choice seems to lie between Mr. Gardiner, the Minister of Agriculture, and Mr. Ilsley, the Minister of Justice. The keen zest of Mr. Gardiner, an experienced and aggressive politician, for relentless warfare against all other parties has endeared him to the rigid partisans, whose control of the Liberal machine in most constituencies will give them a large say in the choice of delegates; and if, as is reported, he has the backing of Major Power, the former Minister for Air, who is the acknowledged political leader of the Irish Catholics, he will be a formidable

antagonist for Mr. St. Laurent. But he has to reckon with the hostility of the *Winnipeg Free Press*, the most influential Liberal paper in Canada, which has been conducting a steady campaign against the Anglo-Canadian wheat agreement and his other policies for the marketing of farm products. Moreover, a Minister who cannot hold his own province has a black mark against him; and the decisive victories of the C.C.F. in the last provincial and federal elections in Saskatchewan, a traditional stronghold of Liberalism, of which Mr. Gardiner was Premier before he moved to Ottawa, tore some roses from his chaplet.

So such Liberal opponents of Mr. St. Laurent as count these disabilities serious, and think Mr. Gardiner's unpopularity with his opponents would make him a poor architect for a Coalition, favor the claims of Mr. Ilsley, who, as the successful holder of three different offices since he entered the Cabinet in 1935, is one of the most highly respected politicians in Canada. But, by contrast with Mr. Gardiner, his inherent fair-mindedness and a certain diffidence about his own powers make him averse from combative politics, and although, as a Nova Scotian, he can count upon the support of most of the delegates from the Maritime Provinces, doubts about his capacity for vigorous leadership may tell against him.

But the rejection of Mr. St. Laurent after a bitter racial battle in the convention might have disastrous consequences for the Liberal party. Most of the French-Canadian delegates would depart with bitterness in their hearts, firmly convinced that the defeat of their hero, Mr. St. Laurent, was due to prejudices against his racial origin and religion. They would regard the rejection of the most distinguished French-Canadian politician that Quebec has sent to Ottawa since Laurier died as a mark of base ingratitude for the prolonged solidarity of the French-Canadian race behind the Liberal party, which has given it since 1921 its longest period of ascendancy. Their resentment would soon percolate to the constituencies of French Canada, and might well drive a large body of their voters away from their allegiance to Liberalism. So in these circumstances the managers of the Liberal party approach the convention with considerable anxiety, and it can be assumed that, if a bitter racial feud shows signs of emerging, the proven political dexterity of Mr. Mackenzie King will be employed assiduously to avert a cleavage, fraught with threats to the harmony of the two basic races of Canada, whose preservation has been the dominant aim of all Mr. King's policies throughout his long career.

The Progressive-Conservative party, which, after the retirement of the late Lord Bennett from its leadership, forfeited during the war years public confidence in its ability to provide a competent alternative administration, can now record some recovery of that confidence on the strength of its performances as official opposition during the present Parliament. Its leader, Mr. Bracken, an honest-minded and industrious politician, has shown some skill in organizing his followers for an effective use of their talents in the work of Parliament, but his debating powers are not of the first order and he has still to convince the country that he would be a competent Prime Minister. Moreover, the fundamental weakness of the Progressive-

Conservative party, its inability to tap in any serious degree the great basic reservoir of Conservative sentiment which exists in French Canada, survives to make its hopes of obtaining a clear majority in the House of Commons very slender. In default of a serious racial fissure in the Liberal party, its best prospect of winning seats in Quebec would be through the active co-operation of the Premier, Mr. Duplessis, formerly a Conservative, and his *Union Nationale* party. Hitherto Mr. Duplessis has adopted an attitude of neutrality in federal elections, but he has lately formed a working alliance with Colonel Drew, the Progressive-Conservative Premier of Ontario, for the purpose of resisting the proposals of the King Ministry for a greater centralization of financial authority at Ottawa. So, if this issue bulked large in the next federal election, Mr. Duplessis would have a good excuse for putting his efficient political machine at the disposal of the Progressive-Conservatives.

The C.C.F. party has been handicapped in its advocacy of its socialist programme by the difficulties of the Labor Government of Britain, but the practical issues, which have come to the forefront in Canada, have brought abundant grist to its mill. By its resolute opposition to the removal of price controls and the recent increase in railway freight rates, it has constituted itself the only effective exponent of the dominant grievance of the Canadian public, and is in a strong position to make political capital out of the high cost of living. If it can win some of three federal by-elections which are impending, and if the first socialist administration to hold office in Canada defeats a determined Liberal attack under new leadership and secures after four years of office a fresh mandate in a provincial election in Saskatchewan, which will be held some time during this summer, the resulting rise in the stock of the C.C.F. will give both the older parties grave concern. Meanwhile its leaders have rejected bluntly an offer of the Canadian Communists, now disguised as the Labor-Progressive party, to co-operate with it. Their proclaimed subservience to Moscow has reduced the Labor-Progressives to a hard core of fanatical zealots and involved them in such general odium that there is a considerable support in Parliament for a Bill, introduced by a private member, which proposes to outlaw Communism; but it can hardly receive the endorsement of a Liberal Ministry.

The Social Credit party continues to cut a rather ridiculous figure at Ottawa through its absurd protests against Canadian participation in any form of international organization and its puerile contributions to debates on economic policy. Meanwhile it is meeting internal trouble in its chief stronghold, Alberta, through a revolt of the strait sect of Douglasites against what they regard as the deplorable backslidings of the Social Credit Ministry of Mr. Manning, which no longer shows any zeal for the inauguration of a system of Social Credit and has been governing the province on lines acceptable even to its conservative citizens.

Canada,

April 1948.

AUSTRALIA

A YEAR OF PROSPERITY

THE financial year 1947-48 promises to be the most prosperous in the history of Australia. A bounteous season and high export prices have combined with a high level of employment to raise national prosperity above the pre-war level. This position has engendered a general public confidence in the economic future. Such optimism is not shared by the leaders of the political parties, though their reasons for caution differ. The Prime Minister, Mr. Chifley, has repeatedly warned us that the sellers' market is over and that domestic production must increase if serious internal difficulties are to be avoided. He foresees a scarcity of dollars for several years, during which the regulation of external trade will be essential. The Opposition leaders, on the other hand, roundly condemn the Chifley Government policy of high taxation and assert that it will inevitably lead to the progressive restriction of domestic output. They call for legal action against the Communist party, which, through its control of the key coal-mining and stevedoring unions in New South Wales, has succeeded in perpetuating war-time bottle-necks in a number of materials. Unfortunately, the statistics available make it difficult to form an accurate opinion on the economic position, not because they are untrustworthy but because they are incomplete.

Industrial Development

THE White Paper on National Income and Expenditure 1946-47 sets the money value of the net output of goods and services (*i.e.* the National Income) at £1,261 million in 1946-47 as against £803 million in 1938-39. This increase arises not only from changes in the physical volume of production and in the number engaged therein, but also from considerable changes in prices, which are difficult to assess. Over this period, Australian retail prices rose about 32 per cent and wholesale prices 47 per cent. It would appear that the real net output of goods and services in 1946-47 was more than equal to that before the war. In the current financial year, the exceptional season, coupled with a 25 per cent increase in export prices, would increase national income by a further 8 per cent, but this must be offset by some loss in domestic production for six months as a result of the introduction in January of the forty-hour week. A net gain of about 6 per cent in the real national income seems likely.

The position in regard to production per head or per man-hour is a controversial question. Industrial employment has increased from 1.7 million in July 1939 to 2.3 millions in December 1947. The Commonwealth Statistician has estimated that the volume of production per worker in all industries increased at the annual rate of 1.4 per cent between 1921 and 1939 and at the annual rate of 2.9 per cent between 1939 and 1945. A recent report by the Tariff Board, which devotes its whole time to examining

individual industries seeking protection and to reviewing Australian industrial efficiency, suggests that this process has continued. It declares that "in general the competitive position of Australian industry is much stronger than before the war". The available business indices also point to a high level of output, which would be inconsistent with a serious decline in average effort. Nevertheless there is a widespread opinion that the competitive advantage of labour in a period of dearth and the forty-hour week are combining to reduce output per man-hour by at least 15 per cent in relation to pre-war effort. But, as the long-term gain in output depends as much upon management and upon power available per worker as upon the climate of work, the developments in the supply of power are a better indication of future industrial prospects.

The Chifley Government looks to a major growth of secondary industries rather than of primary production and to a programme of public works to provide jobs to maintain "full employment". But, with an apparent deficiency of 150,000 workers for jobs, public works plans have been subordinated to those for the expansion of industry, particularly in the chemical, engineering and textile trades. Capital for this expansion is being provided partly by private industrialists from the United Kingdom and the United States, but mainly by the investment of local savings which now amount to over £120 million per annum. Capital issues to finance new industrial units and the expansion of established units have been made since the war as rapidly as the market can absorb them. But industry can neither continue to expand at the present rate nor even maintain the same level of output per worker, because the available supplies of power are insufficient to cater for an increased industrial demand. The lack of coal, fuel oil and electricity is a decisive economic and political factor.

Before the war, the Australian use of power was on a scale much below the normal demands of a diversified industrial structure. Black coal accounted for 70 per cent of power consumed, brown coal 6 per cent, petroleum 21 per cent and water-power 3 per cent. The annual consumption of coal in Australia was under 2 tons per head, compared with an annual consumption of over 4 tons in the United Kingdom and about 5 tons in the United States.* The post-war plans apparently overlooked the fact that industrial expansion was impossible without a rapid increase in the output of coal and electrical energy. Although the average weekly production of black coal has increased from 235,000 tons in 1938-39 to 320,000 tons in December 1947, consumption has outstripped production. For example, the sales of gas and electricity in Sydney and of electrical energy supplied for all purposes except traction in Melbourne have doubled in the same period. The target production for 1948 is 13 million tons of black coal and 6 million tons of brown coal. An industrial structure proportionate to that of the United Kingdom would use double this output and require a substantial increase in generating plants.

The various State Governments have been obliged to take steps to rectify

* The domestic consumption of coal per head in Australia is less than in colder climates, and this fact slightly qualifies the comparison.

the position. The State Electricity Commission in Victoria plans to spend £50 million in order to double the capacity of the Yallourn brown coal plant and to extend hydro-electric generating facilities in the Kiewa valley. The Queensland Government has entered into a contract with the Electric Supply Corporation of the United Kingdom to expend over £10 million in the development of the open-cut black coal deposit at Blair Athol in central Queensland to a capacity of $3\frac{1}{2}$ million tons per annum. The New South Wales Government proposes to form a State Coal Commission to develop three black-coal deposits suitable for mechanical mining by open-cut methods with an estimated annual output of over 3 million tons. The Governments of South Australia and Western Australia are extending the output of their deposits at Leigh Creek and Collie respectively, measures which are intended to free the future development of those States from New South Wales domination, but will take several years to carry out. Yet they do not make sufficient provision for the future industrial needs of an expanding population.

Finance

SUPERFICIALLY, the position of Commonwealth Government finance seems satisfactory. The receipts for the first six months have exceeded the Treasurer's estimate and the expected deficit of £30 million on the 1947-48 budget should be covered by revenue. The Fourth Security Loan of £48 million was over-subscribed by £17 million. By conversions and the maintenance of a low bank rate, the interest charge on the public debt of £2,890 million, namely, £85.6 million per annum, has been kept down to 6.6 per cent of the national income (compared with 6.2 per cent in 1939). These immediately favourable factors conceal the deleterious effects of the high cost of government, which is a consequence of Labour Party Social Policy.

In a statement to the Commonwealth Parliament in March 1947, Mr. Chifley, as Treasurer, intimated that Commonwealth expenditure was unlikely to fall in future below £400 million a year. The significance of this statement lies in the manifest intention of the Government to extend Commonwealth expenditure on social services so as to absorb whatever may be saved upon defence. Commonwealth expenditure upon invalid and old-age pensions, child endowment and miscellaneous benefits amounted to £62 million in 1946-47, when it was double the pre-war figure. At the time the Government planned an early increase in this expenditure to £100 million as the full burden of the benefits was assumed and as a scheme for nationalized medical services was introduced. Two further proposals have recently been under consideration, the abolition of the means test used to decide eligibility for invalid and old-age pensions and the inauguration of a comprehensive superannuation scheme. The cost of these schemes will be considerable. It is estimated that the abolition of the means test would increase the cost of social services to £145 million in 1951-52, rising to £160 million in 1961-62. The superannuation scheme would supplement pensions by an amount which cannot be estimated at present. According to

press reports, Mr. Chifley warned Caucus that it would be impracticable to introduce both schemes in the financial year 1948-49. The final decision of the party has not yet been announced.

An estimate of the Commonwealth taxation requirements to meet these expanded social service schemes has been made by Mr. Colin Clark. He shows that, even allowing for a net immigration of 70,000 persons annually and an annual increase of 1 per cent in production per man-hour, the total taxation required to meet public administration and these enhanced social services would absorb over 30 per cent of the national income for the next fifteen years, perhaps in perpetuity. There is little likelihood that this programme will be carried out as it stands. No amount of financial ingenuity will make the Australian people continue to pay 30 per cent of the national income in taxation. It is clear that, unless the Government curtails its social service programme, there will be a persistent upwards pressure upon wages and prices until the burden falls below an acceptable limit. The Government programme of expanded social services seems to involve a substantial inflation, a process which Mr. Chifley avers that he is determined to avoid. There is as little evidence of an adequate plan in this matter as in the proposals for large-scale migration, the capital costs of which have apparently not been computed, and as in the policy of expanding secondary industry, the power requirements of which raise formidable difficulties.

There are two important results of high Commonwealth expenditure. First, the deficits of the State Governments are increasing and are estimated to exceed £13 million in the current financial year. Mr. Chifley has consistently refused to increase the allocation of uniform taxes to the States and indeed his contemplated expenditure upon social services debars the £25 million assistance the States have requested. The States have asked for an early Premiers' Conference and those with non-Labour administrations have under consideration another challenge to the uniform tax legislation. Thus the relations between Commonwealth and States have deteriorated at a time when close co-operation is essential. Secondly, the proportion of the working population engaged in public administration, defence and the various trading services continues to expand. Approximately one-quarter of the working population, some 570,000 persons, are engaged in Commonwealth, State, semi-government and local authority service. The Commonwealth alone is now responsible for the employment of 162,000 persons. The proportion of the labour force solely engaged in public administration in Australia is about the same as that in the United States, but the number has increased rapidly since the war. A comprehensive review of public-service methods is overdue. The Public Service Commission forecast such a review in its latest annual report.

The factors enumerated above suggest that the economic and social policies of the Chifley Government embrace many incompatible elements, so that only singularly good fortune can maintain current prosperity. The public appears to sense the uncertainties underlying these policies. Recent public opinion polls show a reversal of former political trends. A majority now favours the reduction of taxation rather than further social services.

Opinion is opposed to any extension of Government ownership and is hardening against the perpetuation of war-time regulations and controls.

External Trade

IN 1946-47 we had an adverse balance of payments of £14 million, even after reckoning private capital inflow as a credit. In 1947-48 a favourable over-all balance is expected, similarly measured, of more than £50 million. Our dollar position, however, has seriously worsened owing to the fall in wool exports to the United States and to greatly increased imports. The net dollar debit was £24 million in 1946-47. It is estimated that it will be more than £60 million (or about 200 million dollars) in 1947-48. The dollar restrictions described in THE ROUND TABLE* have now become effective, and the dollar deficit is running at about £2 million monthly. But the damage had already been done for the year 1947-48.

The dollar deficit for 1947-48 so far has been met from the sterling-dollar pool helped out by gold production and by drawing on our slender stock of gold. Perhaps another £15 million to £20 million may be required for 1947-48, and the suggestion has been made that this might be met by drawing on the International Monetary Fund in order to avoid further pressure on the pool at a particularly critical time. Future deficits of the order of £25 million annually would be half-covered by gold production. Since the Second World War began, the sale of dollars for business purposes has been limited by the Commonwealth Bank and the Treasury to holders of import licences issued by the Department of Customs, and the dollar deficit in 1947-48 has been allowed to exceed 200 million dollars by the authorities responsible for the exercise of these controls.

The immediate effect of the restrictions upon dollar importations has been less than was expected. There has been a reduction of about 3,000 in employment in the metropolitan newspapers, severely hit by the rationing of newsprint. The diminution of business activity otherwise has been less than expected. The exceptional season and the prosperity of the primary industries have had a more than compensating offset, particularly since the terms of trade have meanwhile moved in favour of Australia. The export-price index exceeds the import-price index for the first time since 1939. The monthly average production of processed foods is now greater than before the war. Preliminary estimates suggest that export shipments will attain record dimensions and that total exports should exceed £350 million. We can scarcely expect that the coincidence of so many favourable factors will be repeated.

The Industrial Front

AT the end of 1947 the number of persons unemployed had fallen from 298,000 in July 1939 to 33,000, or to less than 1 per cent of the working population. The reserve of labour necessary to handle normal seasonal output of primary production had been fully absorbed. With labour scarce, reserve stocks of coal depleted and industrial activity dependent upon the

* See THE ROUND TABLE, No. 149, December 1947, pp. 498, 499.

regular operation of the transport system, the economy was obviously supersensitive to any industrial stoppage. The astonishing fact is not that disruptive strikes have been attempted, but that the Communist-controlled coal-mining, stevedoring and transport unions have achieved so little. There have been two serious encounters between the State Governments in Victoria and in Queensland and the militant unions since the introduction of the forty-hour week. The principal result in each case has been the passage of legislation designed to curb Communist control of union machinery.

The Victorian strike originated in a dispute on the new roster which the Melbourne and Metropolitan Tramways Board desired to introduce in January as an interim measure upon the inauguration of the forty-hour week. The union rejected the roster and demanded a five-day week. The Commissioners offered to introduce a roster in April incorporating a five-day week. The union refused arbitration and called out the men. The State Government took immediate measures to ensure that the Railway Union men were satisfied with their conditions and insisted upon bringing the Tramways dispute before the Conciliation Commissioner. When it became clear that the cessation of the tramway services was having little effect industrially, the Communist-controlled Railway Union threatened to call out key workers in power-houses and railmen to enforce the tramwaymen's demands. This action, which could only be construed as a deliberate challenge to the State, gave the Liberal Premier of Victoria, Mr. Hollway, an opportunity to curb the extremists. The Victorian Parliament was immediately called to pass an "Essential Services" Act. This Act gives the executive power to declare a state of emergency, to operate and control the essential services of sewage, water-supply, public health, gas, electricity and transport. The State would be empowered to acquire property and employ any number of persons to maintain these essential services in emergency. The Act provides for a secret ballot, and any Union official who contravenes the secret-ballot clause is liable to a fine not exceeding £1,000. Picketing is prohibited under penalty.

The passage of this Act led to an immediate collapse of the strike; but the State Government agreed not to proclaim the Act without prior consultation with the Trades Hall. Whilst the legality of that part of the Act dealing with the secret ballot and penalties may be challenged so far as it purports to govern unions operating under the Federal Conciliation and Arbitration Act, there is no doubt of the popular support of the Government's action. The extremists have not yet dared to challenge the State again on this issue but are believed to be only biding their time. For his part, Mr. Hollway has made it quite clear that, on the recurrence of Communist-inspired industrial strife, he will take legal action to ban the Communist party, an action which most certainly would have strong public support.

The political issues in the strike of the maintenance engineers in the Queensland Railways are more complicated; but the struggle has finally developed into a direct encounter between the Communist-led extremists and the Labour Premier, Mr. Hanlon. The strike began as a result of a demand by the engineers for an increase in wages to bring the margin for skill

payable under the Queensland State award into line with margins paid to the engineers operating under the Federal award in the other States. The engineers had a genuine grievance in that the Queensland Government was opposed to the maintenance of a climatic margin and the Queensland court had delayed a consideration of their claim. The Queensland Government offered approximately two-thirds of the demand and referred the dispute to the Queensland Industrial Registrar. The Union refused to await the determination of the dispute by arbitration and ceased maintenance work on railway equipment. The Communist union leaders immediately used the strike as a weapon to discredit Mr. Hanlon, whose proposal to develop the Blair Athol coal deposit seemed likely to nullify the Communist control of the New South Wales coal-mining unions. Mr. Hanlon was credited with a desire to stabilize Queensland wage levels as a means of attracting a larger share of industrial activity to Queensland in a period of national expansion. The Queensland Government proclaimed a state of emergency and succeeded, though not without difficulty, in maintaining essential supplies to the country districts. The extremists retaliated by the mass picketing of the Brisbane oil-storage depots upon which the maintenance of road services depended. The threatening action of the pickets provoked Mr. Hanlon to introduce drastic legislation to prohibit picketing and to restrict public demonstration without police consent. The strikers commanded little support within Queensland and attempts to extend the trouble to the railways and Queensland coal-mines were unsuccessful. The Communist leaders succeeded in protracting the struggle for nearly two months without achieving any major industrial dislocation. The engineers finally accepted the Government's terms and returned to work. The only tangible result has been to discredit the extremists and to hold up Queensland shipments of sugar and wool.

The stage is now set for State anti-Communist legislation. The Easter Conference of the Australian Labour party passed a strongly worded resolution condemning the Communist party. Mr. Lang, addressing the annual conference of the Lang Labour party, alleged that Communist control of the nation's coal, steel, water, transport and major steel industries endangered Australia's security; and he condemned the attitude of the Chifley Government as one of appeasement. On the other hand, a number of unions have protested against the final clauses of the Victorian and Queensland Acts. Communist militancy has, in this way, complicated the task of the Chifley Government. But the suppression of the Communist party, and the purge of the militant unions, would not resolve the two major problems of Mr. Chifley's administration, the chronic want of power and the lack of an integrated economic plan.

Australia,

April 1948.

SOUTH AFRICA

THE GENERAL ELECTION

THE general election which will* be decided in South Africa on May 26 is of special significance. It will be the first "normal" election that has been held for twenty years, and its result will probably determine the course of South African affairs for generations. Since a few years after Union, the issue in South Africa has been between two large parties, represented to-day by General Smuts's United party (roughly comparable with the old South African party) and by Dr. Malan's Reunited Nationalist party (roughly comparable with General Hertzog's Nationalist party). From the date of Union in 1910 until 1924 the country was administered by the Botha-Smuts South African party. In 1924 General Hertzog's Nationalists came into power with the help of a section of the then Labour party. They were confirmed in office with a clear majority over all parties by the 1929 election, which the Nationalists won largely by exploiting a so-called "black menace".

General Hertzog's administration was a victim of the economic crisis between the wars and gave way in 1933 to a coalition government headed by Hertzog and Smuts. In the general election of that year there were only 30 or 40 contested constituencies, and the Hertzog-Smuts combination came into power with 116 seats out of 150. In the succeeding years the coalition became a fusion and the United party in the 1938 election achieved another huge majority. The test of war in 1939 split the fusion into its elemental parts, leaving General Smuts with a narrow majority with which he maintained parliamentary control until 1943. In the war-time election of that year, with its direct appeal to the loyalties and self-interest of South Africans, General Smuts was returned with his present handsome majority.

The coming election, therefore, is the first since 1938 to be held in peacetime and the first since 1929 in which the two main parties will meet each other in a straight fight. With the growing urbanization and increasing European population, however, the next few years are likely to see a political realignment, with less emphasis on the European racial issues of the past. Looking, on the other hand, to the immediate future, a Nationalist party victory will certainly be followed by measures designed to keep nationalism alive against the threat to its existence presented by urbanization and immigration.

The position of the parties in the House of Assembly when Parliament was dissolved this month was:

United party	89
Nationalist party	49
Labour party	6
South African party (Dominion party)	3
Independent	3
Natives' representatives	3
	<hr/> 153

* This article was dispatched from South Africa considerably before the polling day, and the results of the general election were unknown at the date of going to press.—*Editor*.

General Smuts thus had a majority of 25 over all parties in a House of 153 and a majority of 40 over the main opposition party. In theory he must lose only 12 seats to put himself in a minority. As, however, General Smuts will be able to rely on the Labour party, the Natives' representatives and probably any Independents who get returned, the important result will be whether the Nationalists get an over-all majority. To do so they must win 28 additional seats, a formidable task indeed.

Party Pacts and Alliances

THE United party has come to an electoral arrangement with the main body of the Labour party, in terms of which the United party will leave eight seats uncontested, mostly on the Rand. The Rand with some 35 seats, nearly all held at the moment by the United party and the Labour party, is probably the key to this election. Nationalist strength on the Rand has been growing and it has been calculated that three-cornered contests between the United party, the Labour party and the Nationalist party might give the victory on a minority vote to the Nationalists in about 10 constituencies. As the United party and the Labour party are agreed in their opposition to Nationalist policies, this electoral arrangement represents sound political business for the United party.

The Nationalists have made a similar arrangement with Mr. Havenga's Afrikaner party, the remnants of the Nationalist party which chose to follow General Hertzog when he split with Dr. Malan in 1941. After prolonged negotiations about seats, the Afrikaner party has been allowed by the Nationalists to contest 10 or 12 seats, most of them forlorn hopes from the Nationalist point of view. By this electoral agreement the Nationalists hope to avoid a split vote in critical constituencies; to get at any rate the passive assistance of the fairly powerful Ossewabrandwag; and, because of Mr. Havenga's reputation for "moderation", to make an appeal to English-speaking voters who are suspicious of the extreme Afrikaner Nationalism of Dr. Malan's party.

Minor parties are not expected to influence the election to any important extent. Colonel Stallard, the leader of the Dominion party, has recently gone to reactionary extremes in his opinions on Native and Coloured policies. The result has been to shatter what little was left of the Dominion party into fragments and, although Colonel Stallard's "South African Party" will put up a number of candidates, the expectation is that none will be elected and most will forfeit their deposits. There are odds and ends of Labour parties in addition to the official Labour party led by Mr. Christie. These include a "Central Party" led by a former Labour man from Natal, but although its ambitious are vaulting its chances of success are remote.

The main strength of the United party is in the Transvaal, where it has 45 of the 66 seats. The main strength of the Nationalists is in the Cape Province, where it has 21 of the 55 seats. Recent by-election results and signs of increasing Nationalist strength in the towns indicate that the Nationalists will add to their strength in the Transvaal rural areas and in Pretoria. The Province of the Free State, with 13 seats, is wholly Nationalist except for one

seat, and this position will probably be maintained. A safe Free State seat has been given to Mr. Havenga. The Free State is offset by Natal with 16 seats, mostly United party, with a few seats held by Labour and Dominion men of various kinds. The evidence is that Natal will return a solid *bloc* of United party and Labour votes.

The United party is strong in the Cape Peninsula and in the big towns of the Cape Province, and there is no serious threat to them there. The result of a recent by-election at Hottentots-Holland, when a Nationalist was successful in what had been for many years regarded as a safe Smuts's seat, is evidence of some United party weakness in the Cape rural area.

If there is a change of Government, it will come about, therefore, because of Nationalist party victories in the Transvaal rural areas, on the Rand, and in the Cape rural areas.

The Doctrine of *Apartheid*

THE Nationalists are trying to concentrate the election campaign on the central issue of Native policy. The party recently issued a statement on Native policy which goes farther than any statement on the subject yet made. It demands the abolition of the present parliamentary representation of Natives, and urges total segregation—political, economic, social and even geographical. Under the Nationalist party policy, Natives would live in reserves and emerge only as migrant labourers to work in the White man's mines, factories and houses. This statement of the Nationalist policy of what is called *apartheid* (i.e. "separateness") coincided with the publication of the report of a powerful commission headed by Mr. Justice Fagan and charged with investigating the problem of migrant labour and the urbanization of Natives. It is unfortunate for the Nationalists that this document declares in unequivocal terms that, whatever the academic merits or faults of *apartheid*, there is just not sufficient room in the present reserves or outside them to accommodate any of the Natives at present domiciled in urban areas. In South African elections, however, the practical shortcomings of a Native policy are not of much importance. The appeal of the Nationalists is to prejudice and to the fear that anything except *apartheid* means social and political equality of White and Black, with the consequent swamping of the White and the elimination of "White civilization".

The other main line of Nationalist attack is on the Government's administrative record and capabilities. A Government which has been in power for ten years is naturally unpopular and, in addition, South Africa has had, even although only in a small measure, to bear some of the scarcities and inconveniences which afflict the post-war world as a whole.

The United party is attacking the Nationalists at a weak point—their war record. During the war the Nationalists opposed the war effort; supported Hitler in terms which at times of German victories were extravagant; and committed themselves to far-reaching criticism of our present democratic institutions and to powerful advocacy of totalitarian thought and methods. On the more positive side, the United party claims a record of competent administration; a magnificent war effort; a demobilization scheme which was

as successful and as generous as any in the world; and a tolerant and progressive approach to the future problems of South Africa. A cardinal point of United-party policy is an immigration scheme which is bringing into South Africa every year many thousands of carefully selected settlers from Britain and the Continent.

The Nationalists do not disguise their dislike and fear of this immigration policy, which, if continued for the next five years, must powerfully affect the political structure of South Africa. Immigrants from Britain automatically become citizens and voters of South Africa two years after arrival. The Nationalists have openly declared their opinion that British settlers should be placed on the same footing as "other aliens", which would mean that they would have to wait for five years and then apply for naturalization before they could influence the course of South African political affairs.

Public interest in the election has been slow to quicken. Normally in South African elections the campaign rages heartily for at least two months before polling day. This time, as the result probably of delays in nominations because of electoral agreement negotiations, the campaign will hardly have begun on nomination day, a month away from polling day. There is a widely held opinion that General Smuts will be successful. But prophesying election results is a hazardous pastime in any country, and experienced observers in South Africa to-day are shy of committing themselves.

Union of South Africa,

April 1948.

A NEW PERIODICAL

THE Editress of *ASIAN HORIZON*, a new quarterly, published by Asian Publications Limited, price 3s. 6d., summarizes its programme by saying: 'It is with newly awakened civilizations, with an Asia which has discarded her static and self-satisfied past, that *ASIAN HORIZON* has to deal. We hope to provide a forum for the discussion of the problems facing this new Asia and those who seek to work in harmony with the countries of the East.'

The first number, dated Spring 1948, contains among other contributions, mostly by Asiatic writers, an article by LORD PETHICK-LAWRENCE on 'India and Britain', one by SIR SARVAPALLI RADAKRISHNAN on 'The Spirit of Asia', and eight pages of photographs of Siam.

NEW ZEALAND

THE FUTURE AND THE PAST

TWO sets of events have this year prevented the picture of social discussion in the Dominion from becoming, as of late years it has tended to become in the opening months of the year, merely a picture of scarcities, industrial dissension, latent inflation and irksome controls, which seems dull in tone in comparison with greater suffering and greater dissension in other countries. The first is the announcement that His Majesty the King has graciously accepted the invitation of the Prime Minister and will visit this country early next year accompanied by the Queen and Princess Margaret. Older citizens recall the earlier visit made by Their Majesties as Duke and Duchess of York, and the community in general looks forward to their arrival and to according them a whole-hearted welcome. The other events are connected with the Centennial of Otago, centring in the enthusiastic celebration of the arrival of the first two immigrant ships from Scotland in March and April one hundred years ago. Looking backward, citizens of Otago recall with approval the decision of the Presbyterian pioneers not to aim at an exclusive community of those prepared to "live under the same law and worship in the same house". They recall with pride the extent to which from Otago has stemmed leadership in business and industry, in learning and in politics. They observe with regret the lag in population expansion in Otago as compared with the North Island, and hope that hydro-electric and irrigation schemes now in preparation or contemplated for the future may lead to industrial expansion and a movement of population to the south.

Employment and Population

THROUGHOUT the year lack of man-power has continued to complicate the situation in most parts of the economy and to limit plans and projects in many fields, and problems arising from recent population trends are likely to make these difficulties even more acute over the next few years. The total employed working force has increased somewhat during the last year. The number of disengaged persons enrolled for employment with the Department of Labour and Employment at the end of February totalled only 25 men and 7 women. The number of vacancies has steadily increased over the last year for males to 13,920 in February, though for females it has fallen very slightly to 12,265. While the significance of the over-all figures may not be great, for the estimates on which employers base their reports could easily be modified by a change in general conditions, yet changes in the detailed figures are significant; and even the mere existence of over 26,000 estimated unfilled possible jobs, when the employed working force totals about 427,000 men and women, indicates full employment or more. Especially notable is the increase of vacancies in rail transport, which indicates that if dearth of coal did not necessitate the present curtailment of

passenger and goods services, deficiency of staff might well have the same effect.

The low level of births from 1933 to 1936 means that for some time there can be little relief from new entrants born in the country. The scheme for selected and assisted migration, though it ensures that immigrants are carefully selected for the employments where the need is greatest and are carefully looked after from the time they leave England until they reach their allotted employers, is yet producing a mere trickle of entrants not likely to reach much above 3,000 at the end of the present year. Although the difficulties of shipping and housing accommodation, which restrict selection to the unmarried, are universally recognized, yet public-spirited citizens disturbed by the slow rate of population growth feel that the Government might have been much bolder in attracting displaced Europeans, especially from the Baltic.

Allowing for the reverse outward flow of emigration the net inflow of population from overseas was only slightly above 2,200 for the last year. One aspect of the reverse outward flow has aroused discussion. It is the so-called "export of brains". Over the last two years the University Colleges and the Department of Scientific and Industrial Research, in which are centred most of the scientific research carried on in the country, have lost a number of senior trained scientific workers, which, though numerically small, is yet large enough to be disturbing. It is becoming apparent that a policy which tends to close the gap between the wages of unskilled and skilled workers, and that between wage earnings and the salaries of highly trained scientific and industrial workers, has its weaknesses.

Production and Latent Inflation

THE problem of inflation in New Zealand obviously has its roots in the flow of domestic production for the home market, which depends in part on the flow of imported materials; on the trend of prices, which is affected by wages and the prices and volume of imported materials and finished goods; on the flow of money incomes, which is influenced by income from exports, and on the taxation and expenditure policy of the Government. The year has been good for agriculture, mainly owing to favourable weather at the beginning of the season in July and August, offset slightly by drought, which impaired pasture growth in some districts in March and April. While the number of dairy cows in milk has continued to fall somewhat, an increase in the yield per cow due to seasonal conditions has so far kept dairy production high. Meat production has also been high with the exception of pig production, which continues to fall. The competition of small seeds production and of fattening has, however, gradually reduced the area sown to wheat until last year it was the lowest on record. The wheat situation was relieved to some extent, however, by a very favourable bulk-purchase contract with the Australian Government. The price fixed in November 1947 for wheat for the coming season, 8s. per bushel, seemed satisfactory to farmers at the time, but they may well now regard it as unsatisfactory in view of the price set by the recent international agreement.

Assessment of industrial production is handicapped by the increasing lag, due to printing difficulties, in the publication of statistics of factory production. A slightly increased working force and increased availability of some imported materials have probably resulted in an increase in industrial production; but in last year's budget the Minister of Finance noted with concern a slight decline in production per head, and it is questionable whether this has been arrested.

A change in Government policy may have been presaged by the statement made by the Minister of Industries and Commerce to the Manufacturers' Federation in February, and repeated since, that it would be wise if New Zealand did not encourage further industrial enterprises at the present time, in view of scarcity of labour and materials. Manufacturers should therefore consolidate their present resources and plan cautiously for the future. Apart from repairs, and from alterations to comply with the requirements of the recent Factories Act, few licences would be issued for industrial building. With an inconsistency which is not uncommon in ministerial announcements in New Zealand, he announced at the same time that the protection given to existing firms in some industries through the licensing provisions of the Industrial Efficiency Act 1936 might be in part withdrawn. While more effective competition in such industries may be desirable, yet its development would appear to be associated with new demands for labour, materials and construction, and may therefore complicate an already difficult situation.

Dependence upon the trading banks for intermediate and long-term needs has long been a characteristic of New Zealand industry, and this tendency has in recent years been accentuated by taxation and restrictive policies. The Reserve Bank has recently stated that for some time it has been pursuing a policy of credit control with the special purpose of controlling advances from the Trading Banks for the long-term needs of industry. This perhaps is why sales of new securities in the market have recently become more common, and this development may have a healthy effect in widening the securities market in New Zealand and checking the rise of security prices.

Statistics of aggregate private incomes are not yet available even for the year ending March 31, 1947; but in view of wage increases and the high level of exports they have almost certainly increased appreciably, and no influences have been operating, apart from an increase in imported goods, to narrow the "inflationary gap". Trading bank current deposits, excluding Government deposits, rose from £N.Z. 121 million to £N.Z. 129 million between January 29, 1947, and January 28, 1948, while fixed deposits rose from £N.Z. 38 million to almost £N.Z. 42 million. Savings-bank deposits also increased steadily. The postponement in two of the most important districts, Auckland and Wellington, of the final date for payment of income tax to slightly beyond the end of the financial year aroused suspicions that the purpose was to avoid an embarrassingly large surplus in the Public Accounts. Indeed the Minister of Finance faces a difficult situation. Control of inflation appears to call for present taxation levels, with some reforms in company taxation and without too great an increase in public expenditure. Public feeling calls for a drastic reduction in rates of taxation.

If industrial building is to wait on the solution of the housing problem it may be long delayed. Timber supplies have expanded of late, but lack of coal and the slow turn-around of coastal shipping have seriously handicapped the companies producing cement, and there are recurrent scarcities of steel, cement and bricks. During the last year the number of applicants for State houses rose by over 2,000 to a total of 53,371. The objective of 12,000 houses per year, 4,000 rental houses built for the State and 8,000 for private owners, which was announced in the 1946 budget, has not so far been attained. New State tenancies and private building permits would indicate that less than 10,000 were built in 1947, and the Under-Secretary of Housing in December last assessed the expected output for 1948 at 10,000 houses. The increased number of births from 1938 onwards raises an urgent problem of educational building and staffing over the next few years. Other public needs for accommodation are becoming increasingly acute, despite the appearance in many places of unsightly "temporary" accommodation built from war-time huts.

Import Control

ON his return from Havana the Minister of Finance cleared up one uncertainty about the future of import control. He said he had succeeded, in the face of some opposition, in securing inclusion in the International Trade Agreement of the so-called "New Zealand Clause", under which the policy of Import Selection could not be challenged so long as it was related to the maintenance of "Full Employment".

All sections of the New Zealand community are undoubtedly concerned that everything possible should be done to relieve Britain's present difficulties, but the sacrifices involved in so doing are not yet clearly appreciated. The British Government has requested that as far as possible New Zealand should restrict imports to the level made possible by current external income, and not draw on accumulated sterling reserves. In assessing the amount available for import licences the probable external income from exports and other sources is estimated, known commitments in regard to debt service or repayment and Government imports are deducted, licences are issued initially to such an amount as to leave a reasonable reserve in hand to deal with special needs as they become manifest. On March 3 the acting Minister of Customs announced that this year import licences would be issued only to an amount of £N.Z. 95 million, as against licences for £N.Z. 115 million, and actual imports of probably £N.Z. 120 million, in 1947. This has aroused protests from importers, manufacturers and farming interests alike. The heavy imports of last year left distributors with unbalanced stocks, manufacturers fear a dearth of materials and farmers scent a deficiency of farming requisites. The detailed allocations for 1948 would indicate that their fears are not unfounded, especially when allowance is made for the sharp rise in the Import Price Index in the last months of 1947, which indicates that the volume of imports will be further curtailed by higher prices.

It was not easy for the public to understand the cut of £N.Z. 20 million in view of the favourable season and an expected income from exports which

was privately estimated to reach between £N.Z. 130 million and £N.Z. 144 million. Hence the inference was widely drawn that the Minister of Finance planned to exercise an option to repay £N.Z. 24 million of debt domiciled in Britain. Mr. Nash has stated that no such arrangements have been made. Indeed export income may still be reduced below expectations if unfavourable weather impairs pasture growth for the remainder of this season or the opening of next. Moreover, it will soon be time to negotiate fresh prices for export dairy produce. Despite a record export income of £N.Z. 129 million for 1947, heavy importations contributed towards a reduction in London balances from £N.Z. 104 million at the end of December 1946 to £N.Z. 75.7 million at the end of December 1947, for debt repayment would account for only about £N.Z. 14 million of this fall. Other receipts from overseas were unusually high in 1947, and, if they fell in 1948, or similar payments due to private agencies overseas should rise, the balance of income in hand after meeting import licences for £N.Z. 95 million might be none too large to deal with the many special claims for further necessary imports.

Defence Policy

AFTER much criticism for its delay the Government has at last revealed the outline of its Defence policy. The Minister for Defence, Mr. Jones, stated that our interest could not be confined to New Zealand but "must extend to that vital area including the islands to the north of us", and must provide for balanced association with other British Commonwealth forces in any emergency. As at present one cruiser is to be held in commission and one in reserve. Six "Loch" class anti-submarine escort vessels are to be substituted for the two smaller frigates now in commission. Personnel is to be expanded from 1,580 at present to 2,500 in 1950, and attempts will be made to expand the R.N.Z.N.V.R. The Regular Air Force is to be expanded from about 2,500 until it reaches 4,000 in three years. Additional to this will be a Territorial Air Force and an Air Training Corps of about 5,000 cadets. It is planned to establish a small Regular Army of unspecified size which, when fully trained, will undertake the training of a Territorial Army. There is to be a small Defence Scientific Corps recruited from science graduates. No indication has been given of whether any form of compulsory service is contemplated. In this field again lack of man-power in industry is a complicating factor and some recruits for the Navy and the Air Force are being secured in Britain.

Industrial Unrest

IN regard to industrial disputes the situation is broadly similar to that of the early period of 1947, with the two significant modifications that the Government has become reluctant to seek solutions through setting up special Industrial Dispute Tribunals, which tend to undermine the Arbitration Court, and that Communist incitement to industrial disorder is now strongly charged and condemned by Ministers and others. The Waterfront Industry Commission was lately reconstituted with a Chairman and two elected representatives of the Waterside Workers and of the employers

respectively. It has had to deal with a prolonged dispute originating over the unloading of one ship, and the alleged unsatisfactory and dangerous hatches of another ship, despite modifications stated by experts to be adequate. The result was a prolonged refusal on the part of the men at Auckland to accept overtime or Saturday work, so that the loading and unloading of ships was seriously delayed. The dispute was settled broadly on terms set by the Commission. The Carpenters' Union organized a prolonged "go-slow" on all jobs on which men were not paid $1\frac{1}{2}d.$ per hour more than the award rate. Their grievance arose from the attempt of the Arbitration Court, when it amended wages generally in August last, to remove some anomalies and to recognize longer apprenticeship periods or a greater proportion of broken time by lifting the wages of some building workers by $1\frac{1}{2}d.$ per hour more than the increase given to carpenters. Probably over 90 per cent of the carpenters were actually receiving more than the award rate and many were receiving more than the rate claimed. Union officials were prosecuted for inciting an illegal "go-slow" and some master builders were prosecuted for paying more than the award rate. On March 4 the Prime Minister issued a warning that if this policy of "go-slow" should continue to spread to other fields the Government might have to consider suspending the Industrial Arbitration and Conciliation Act. Transfer of negotiations for the Carpenters' Union to the Federation of Labour failed to secure from the Government the concession of an Industrial Dispute Tribunal and the issue was settled on the Government's terms of cessation of "go-slow", cessation of prosecutions and an early re-hearing of the Carpenters' case by the Arbitration Court. The Public Works settlement of Mangakino, the base for workers on the great hydro-electricity schemes on the Waikato river, was the scene of another costly dispute. It originated in the transfer to another centre of a Public Works employee, admittedly a Communist, who served as elected secretary of the local branch of the New Zealand Workers' Union, and whose actions had exasperated the engineers in charge of the work and led them to feel that they were losing control, with the result that they were resolved to resign if the secretary were not transferred. The local branch of the union asserted that they wished to retain his services as secretary, that he had been courteous in his dealings with the engineers, that he had acted under instruction from the union executive, and that no specific charges had been made or proven against him, and they decided to strike. In this case the Government found it expedient to concede an Industrial Dispute Tribunal and to reinstate the man on the job pending its decision.

As a result of the charges that Communist action has been responsible for some of these disputes, there have been demands for legislation to deal with Communists in the Public Service and in industrial unionism. The Government has set its face against such action in regard to the Public Service, as has also the Public Service Association. In regard to industrial unionism the Government has been content to leave the matter in the hands of the unions, and the few Communists seeking re-election to important union positions have mostly been unsuccessful.

New Zealand,
April 1948.



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